MANAGEMENT

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LOOK AHEAD

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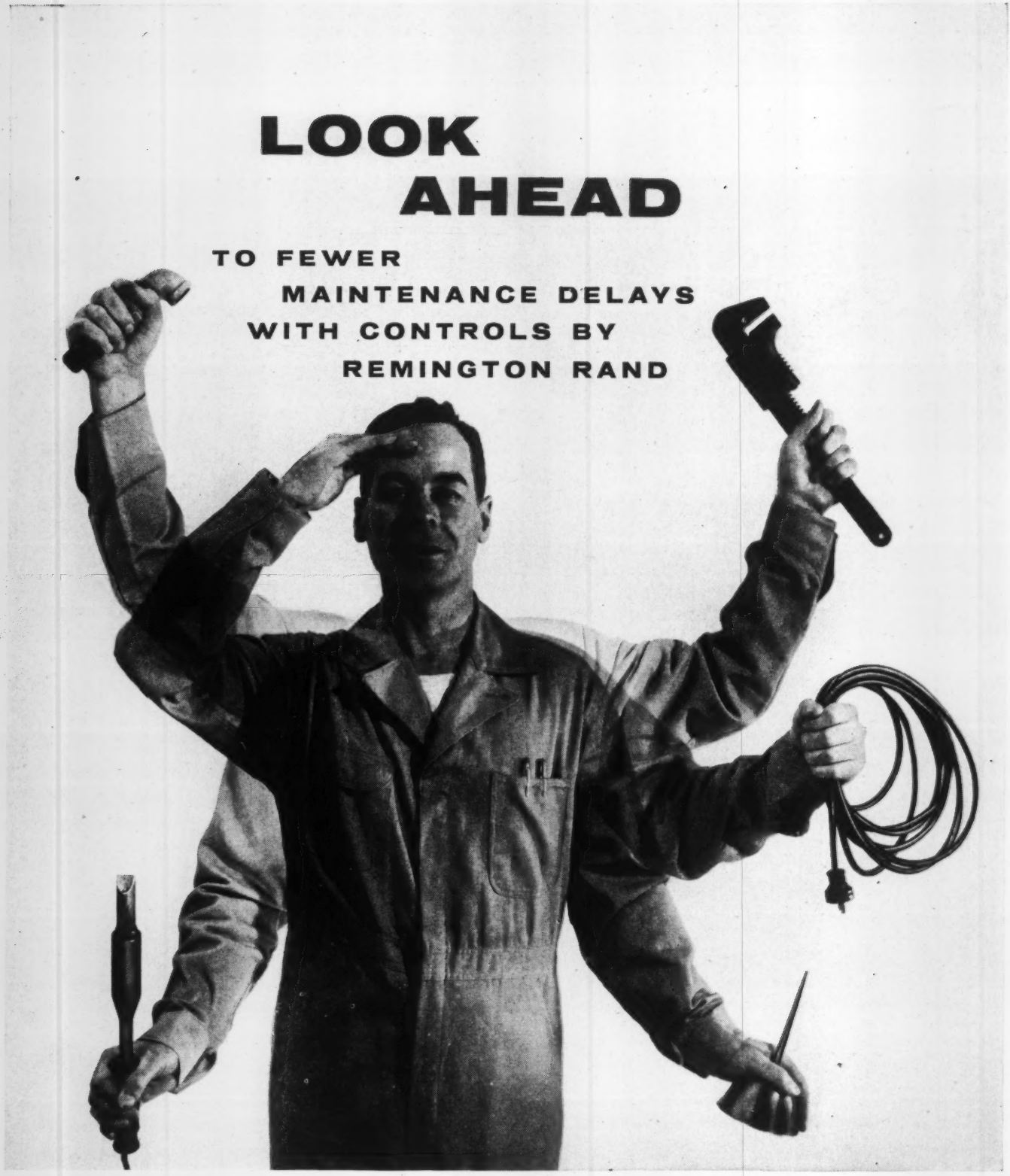

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"Through research, discussion, publication, and other appropriate means to conduct and promote scientific study of the principles governing organized effort in industrial and economic life . . . for the general betterment of society . . ."

S.A.M. Constitution

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THE INDIVIDUAL CONTRIBUTOR

WITH so much emphasis being placed on the development of managers, we must not overlook the "individual contributor"—exceptional professional and scientific personnel; engineers, chemists, physicists, etc. The manager and the individual contributor both have important but distinctly different roles in any enterprise. The manager achieves results through people, whereas the "individual contributor's" results are dependent largely on his own creativity.

Mr. John E. Bassill, President of American Enka Corporation, in writing his company's management philosophy recognized the importance of both the manager and the individual contributor in this statement: "One of the major objectives of the company is to bring the general level of our administrative skills up to the already high level of our technical competence and raise both to a still higher plane."

This brings the two into balance; the one who accomplishes results through people, and the other who accomplishes results through his own innovations.

Many companies recognize not only the importance of each skill but the necessity to give each equal weight in organization, prestige, and the rewards for good work. They do not overlook the fact that an exceptional individual who does an outstanding job in his professional field may also make a good manager. But unless he has managerial aptitudes it would be wrong to place him in a managerial role. In doing so, we could lose his outstanding technical or professional contribution; still worse, our gain might be a poor manager.

To meet the challenge this problem presents, many companies have reviewed the relationships between the professional man and their traditional organizational concepts. Even the unwritten doctrine that an individual must earn less than his organizational superior has been challenged. We now have a few companies that actually pay certain individual contributors more than their superiors. In addition to pay, many companies have recognized the importance of titles in emphasizing status. An outstanding scientist in a chemical company recently was named Associate Director of Research. In his new assignment he will still be able to devote all his talents and skills to his professional work, yet receive the socio-economic rewards he merits.

Few will deny that outstanding technical or professional performance is comparable in importance to outstanding managerial performance. Consequently, a path or progression—parallel in principle to that which exists for managers—should be established for the individual contributors.

When the individual contributor receives proper compensation, status, and challenging assignments, coupled with freedom to manage his own time, we will have recognized his distinct contribution to the success of the enterprise.

John B. Joynt
National President

Mr. White has forty years of selling experience in his background. He is a member of the National Distribution Council for the U. S. Secretary of Commerce; Chairman of the Educational Committee of the National Sales Executives, Inc.; Member of the National Society of Sales Training Executives, and a member of the New York Chapter of the Society for Advancement of Management. He is also a speaker and an author of national prominence in his field, and one of the country's leading marketing management consultants.

L. T. WHITE

Organizing For Service

by L. T. White

Director & Manager,
Cities Service Petroleum, Inc.,
Consultant for U. S. Small Business
Administration and S.A.M. Vice
President of Small Business

Do you remember when people paid bonuses to get automobiles with wooden bumpers and without back seats? When they stood in line for cigarettes, sugar or nylons? Well, those days have gone.

Today, there is surplus production capacity in every field. Almost every commodity is in excess supply and there is a wide choice in all services. And we will be in a buyer's market for a long time.

Buyers now insist on more than merchandise, they want products plus. They want satisfaction. They want every claim fulfilled. Where industry is now overorganized for production, it should become *better* organized in distribution, sales and service.

We understand mechanization better than organization. More people are involved. They are widely scattered. Our service organizations can never be assembled in one place. They can't be given hour-to-hour personal attention. They are independent merchants. They are not on your payroll and do not respond to your commands.

The Need of Better Organizing for Service—The manufacturer of air-conditioning equipment was recently showing his plant, machines and latest model. Everything was fine until he was asked, "How are your products being sold and serviced?" He said, "Sales and service is a headache. We have distributors and dealers scattered all over the country. We are seven removed from the user—installers, retailers, wholesalers, salesmen, districts, transportation and financial departments."

Ask farmers what their big problem is. They have motorized, found new fertilizers and can grow more per acre. Ask them about marketing and they shrug their shoulders. That's their headache.

I'm in the oil business. We can produce more crude and refine better products than ever, but in selling and servicing the country's cars we depend on 200,000 dealers—1/3 of whom quit their stations each year.

Whatever your product or service, you face a similar challenge to your management ability.

How to Organize for Service—We have discussed reasons *why* management should consider organizing for service. Now let's consider *how* you can proceed. If you are the President of your Company, it's easy. If you are not the policymaker, it is more difficult. Let's assume you are not president and think of ways in which you could make your President customer-service minded. That's quite a feat if he is an "inside" man.

The quickest way is the 'hat trick.' Get the President to put on his hat, go out alone and meet customers in their places of business. After he has met a dozen he will have a new attitude.

He may be confused because he has met two kinds of customers—one who buys to use, the consumer; another who buys to resell, a distributor or dealer. In both cases he is bound to be convinced that the customer is the most important man to any organization. When customers stop buying, presidents and employees stop working.

The consuming customer deserves first consideration—he is the most numerous. He goes by many names, but whatever you call him he buys $8 of each $10 of our National Income—250 billion dollars worth of products and services. He pays the highest prices—retail prices support your salaried and independent representatives.

How can you cause your company to give consumers first consideration instead of last as is frequently found? One way is to take rejected products into an executive meeting.

In one board meeting of a dog food company the directors wondered why profits were falling although the officials had bragged about the new product, package and price.

Presented as a talk before the American Management Association at Colgate University, August 13, 1956.

One director skeptic said, "Fine! But why doesn't it sell?"

A small stockholder said, "I can tell you why. I've done some consumer research—dogs won't eat it! We should make what *they* like. Not what our officers like."

A taxi driver in Toronto once telephoned Walter Chrysler at two o'clock in the morning, said, "This car you sold me is a lemon!" That was news to Chrysler. No member of the organization had told him. That lemon car became a peach with tune-up and changes which were "not in the book."

Other ways to awaken top management to the importance of the consumer include candid recordings, consumer research and surveys. This first step should help your company adopt a consumer service policy and *print* it. For example: *Always assist the consumers of our products to obtain better results.*

Here are two examples which prove that a stated consumer service policy leads to success: Walter F. Baker, Cocoa Company, in 1777 made this public pronouncement: "If the chocolate does not prove good, the money will be returned."

The success of Marshall Fields began with this statement 95 years ago: "If purchases at this establishment prove unsatisfactory in either price, quality or style, your money will be returned with pleasure."

Now we come to the independent small businessmen who distribute and service your products to consumers. Step one—You have prevailed on your company to adopt and state a policy for consumers. Step two should get them to do the same for distributors and dealers. Some managements consider dealers as outlets for the products. They really are *inlets* for money.

Dealers have ways of showing they deserve more consideration. The most natural is to squawk to salesmen. When this fails they write dirty letters to sales executives. When these are filed under water, dealers speak up in conventions and get quoted in the trade papers.

Senator Sparkman of Georgia once said, "It's easier for a small business man to reach a United States Senator than to reach the policymakers of his suppliers."

The President of General Motors was surprised and embarrassed in a Congressional hearing last May, when he heard for the first time that their dealers were not rich, happy and contented. His staff had not told him the dealers were sore and scared. Within a few days after that G.M. announced new dealer policies.

Here's a good statement of policy concerning distributors: "We must continually provide every means to help our independent distributors and dealers become more successful."

If your company's President has become customer conscious, if your company has stated attractive policies for consumers and dealers—and if you are still on the payroll!—we can proceed. We are working upstream from the consumer to the dealer and now we come to company salesman. What he knows and thinks has been ignored in a large measure. Otherwise new service policies would not be needed.

When distributors are asked, "What do you think of the company's salesman?" they usually say, "He's a nice, pleasant, agreeable young fellow but he is only carrying the mail from the office. Whenever I ask him to tell something to the company he begs to be excused, says he has no access to management. He'd get in trouble if he got out of line."

In many companies the salesman is the only contact with customers. This is no longer enough. Customers are like girls—they insist upon being seen and heard if they are to be possessed.

New policies once started should be maintained—those originated from direct personal contacts between customer and management. Such "feed back" channels should always be kept open.

CUSTOMER Departments reporting to top-management are a modern requirement. Automobile appliance and implement companies are appointing Vice Presidents for Dealer Relations. The American Standard Company has, in heating and plumbing, over 100 men in their new Dealer Development program. Other names for this new "intelligence" function are, *Research, Education, Management Assistance, New Business Departments.*

Customer Departments are kept separate from the Sales Department, which has neither the time nor the tendency to listen. They can't question what they are pushing.

Likewise, Public Relations departments fail to quiet complaints. In fact, in some cases they have increased dealer clamor. That's because, like a Sales Department, they carry only the company side of a story.

Where there are not enough customers to warrant a Customers' Department one man will get it started.

The *Customer's Man* is a Wall Street term. Such men have been invaluable in raising capital for industry. The idea is beginning to work in commerce. One company got its customers' man from a stock broker. They named him "Mr. Happiness." His job is to keep customers and employees happy!

Most businesses are set up along product or geographic lines. Under the new plan, a specialist is added to represent classes of customers. For example, in the oil business there would be a customers' man for motorists, heating, distributors, dealers, etc.

These Customer's Men circulate among customers and *listen.* They have no sales quotas, no axe to grind, "no message to Garcia." They just want to learn how the company can be more helpful to the customer. They attend the business sessions of customer conventions. They come to understand the customer, his aims and fears. They learn to talk his language.

These men are able to translate technical talk into layman's language. For example, a heating customer specialist working in Brooklyn was invited to advise a church board. The board had voted to heat with oil, but they couldn't choose between a low-priced boiler and a more expensive one.

They asked Mr. Holmes what to do. He said, "Boiler B. has higher thermal efficiency." The chairman said, "What's that?" Holmes' first step in clarification was this, "It has more "heat transfer area" than the cheap boiler."

One man said, "Can't you talk plain English?"

Then Holmes really got plain, "Let's say the cheap boiler is like a man with a poor digestive system. He has few guts. He eats a sandwich. It does him little good because food drops right from his mouth into the seat of his pants." The chairman said, "Thank you Mr. Holmes. We'll buy Boiler B and give your company the oil contract."

The Customer Seminar brings customers to the factory. He is a guest, his expenses are paid by the company. They usually come in groups of ten or twenty.

They confer with company officials and clear up misunderstandings. For examples: 1) The order department wishes customers would send orders in more legibly. Dealers explain how difficult it is to write an order while standing or even kneeling. 2) The accountant or credit manager tells how nice it would be if all rules were kept. The customer tells how they must deal with

hundreds of people, all of whom are different, that complete conformity is impossible, etc.

The Seminar plan, as practised by many companies, is described in *Business Week* magazine of July 14th on page 45. There are other ways in which the customer can *feed back* to management ideas which will be mutually helpful.

When management tunes in on its customers it may begin to hear unpleasant things. One top manager was hard of hearing. At the end of a long negotiation in which the other man had yelled himself hoarse this fellow said, "Walter, don't you have a hearing aid?"

"Sure," was the answer, "several of them. I've got one here in my desk."

"For Heaven's sake, then, why don't you wear it?"

"Because I'd hear too much crap," the manager said.

When management gets criticism and complaints the first impulse is to shut it off. That is not wise; in fact, it's dangerous. Complaining customers attract competition. If you ignore what they are saying another supplier may listen and you have lost a customer.

There is an old saying that the *loudest complainer is the hottest prospect.*

When your service policy insists that the customer is always right, you must persist in studying every complaint until the customer is satisfied and you have turned it into an advantage. Men have put radios into their automobiles, turned them on and got only static. Then they searched for the cause and made the corrections. They improved the engine's ignition to correct the flaw—and got more power and speed *plus music* as a reward for listening and fixing.

The Cities Service companies sell petroleum products through 19,000 independent wholesalers and retailers. Our marketing organizations spend millions of dollars each year in supplying and serving these merchants.

Improved management by these small businessmen could increase sales and reduce expenses. There are big stakes if ways can be found to interest these independents in self-improvement.

Such opportunities seem to be common. One motor car manufacturer recently said that their 20,000 dealers sold 6% less this year than last. However, they allowed their expenses to creep up by 7%. When they know how to hold their expenses to the same amount as last year, their profits will be 40% higher.

It's safe to say that practically every big business supplier and their small business sources or distributors can gain much if they will *study management together.*

For that reason we set up a new type of service department. It is known as "Business Research and Education." It should really be called "Small" Business Research for we spend all of our time studying our independent representatives. We are detached from the operating companies. We take the position of the distributor or dealer. So we may best understand him.

IT'S AMAZING what widely different views may exist between a manufacturer and a merchant working with the same product. We visited many of these men. We asked why they started their own business, if they were achieving what they sought, what needed still to be done? Here's the problem in two words: The distributor wants *Independence.* His supplier thinks all he wants is *Profit.*

There's enough difference to cause trouble. There's enough sameness to enable understanding and cooperation. Here seems to be the solution: If you want your distributors to sell and service your products better, help them learn management.

Notice the words *Help them learn.* Independent businessmen resent training. They don't want to be brought into classes and drilled. They consider training as something for the young.

We found that these same men were eager to learn, but they wanted to pick their own subjects and sources. They wanted to *earn* their education. They like to give and take thoughts from experience. They have become wary of free education. They say "All you get from free books or courses is what the giver wants you to know."

Here's an idea adopted from "cafeteria learning" which has been available through the Mott Institute in Flint, Michigan for over 50 years. Cities Service assembled information which would be helpful to its distributors and dealers. Each book and paper was chosen for the simplicity of explanation. They were written by recognized authorities. Much company literature is anonymous, which detracts from its value to readers.

The information was general, but useful to a man no matter where he worked or what he was selling.

These pieces of information were placed in file boxes. Members of the research department took them to distributors and dealers. They offered the books for examination.

We had been warned that such men won't read "Business Literature," but we found different. When given a choice, they took books to study. The same men who had scorned branded literature, eagerly read material submitted by publishers, universities, associations and the government.

The following year we published a catalog. That made the offering easier. Then we added color and check-off order forms. We sent the 1956 edition to 20,000 such men who would be more independent if they had the will to learn.

Each item in the catalogue is described in a few words, but enough to give the man an idea as to whether it might be useful. Then he decides which subject he would like to take first. In reading the whole list he scans a hundred things he might *Know, Do* and *Become.*

He checks off what he would like to try, writes his name and address and mails it. The Business Research and Education Department keeps a record of only the items which they furnish on such requests. They're exceeding 100,000 informative articles each year.

The *Harvard Business Review* sees significance in this method. They have had the story written, and they will publish it this Fall. This point is clear: Independent Merchants like to learn, but they want to pick their subjects and set the pace themselves.

Our companies sell through about 1,500 wholesalers who operate bulk stations and warehouses. In management ability they are typical of merchant wholesalers in many lines of business. They have great influence on how products are sold and serviced in many areas of the country.

Any manufacturer's program to improve service must consider the independent wholesaler. Their size and importance merited the special research which was conducted—research which revealed the need for special forms of instruction. For over two years now a series of management articles has been written especially for them, and sent directly to them each month. They are titled, naturally, *The Distributor.*

Every article is written strictly from the viewpoint of the private interest of the distributor. There is no company or product slant in any of them. After each year, a readership study is made, and an evaluation is made of all previous articles, as to their value to distributors. Then, proposals are made for new sub-

jects on research and preparation.

Here's how they are helping to improve the distributors' management: Last Fall all articles pertaining to finance were combined in a booklet titled *Let's Talk About Money*. Seven thousand copies of this were requested.

The small business man learns by watching management courses such as this one. Working through their own trade associations, colleges and high schools, they can organize their own management institutes.

Following S.A.M. and the A.M.A. examples, they are beginning to study management under professional educators.

This movement among small business men to learn is less than ten years old. It has grown rapidly since 1953. Last month a group of college co-ordinators met, each of whom had recently conducted two or more small business management courses. Their consensus opinion was that a new method of "organizing for service" has been found. For the first time, manufacturers may soon reach and teach dealers from coast to coast through recognized education.

There are many places in which management instruction has not yet been established through public education. The Small Business Administration of the U.S. has a staff which will help any school organize such courses. The Extension Division of your State University or of your City College can give you information on their *Small Business Management* courses. If your local schools offer none, ask what you can do to help start such courses.

Every plan for "organizing for service" must consider the supply of men available. Sales and service has been less attractive to youth than manufacturing because of its lower wage scales. Distribution, however, is *more attractive* to the resourceful, ambitious young men and women who want to be their own bosses.

Your local outlets can raise current sales with their present employees by at least 20%. Your dealers want to know how to find new, alert, pretrained people to fill openings in their organizations.

Here, again, you have extra sources of help. It is *Distributive Education* which is now available in over 1,100 local high schools. It attracts young people to the study of retailing. It teaches them on a co-operative basis. They study the regular high school subjects plus retail electives in the morning, and they work at jobs in business during the afternoons.

Those with leadership qualities like Distributive Education because they get paid while they learn. They study under adult coaches. They advance rapidly if they have what it takes.

Every one of your jobbers and dealers will be grateful if you will tell him about Distributive Education as a source of better help. Distributive Education also offers evening courses to continue and advance the ability of those who sell and supervise in local, wholesale, retail and service organizations.

Next Fall, Distributive Education will begin offering *Small Business Management* courses for local men who install and repair products like yours. This form of Distributive Education should prove popular among small businessmen who can't leave town. They can study in their neighborhoods in the evening once or twice a week. The cost to them averages less than $5 per course of 8 sessions.

Here is an example of how it works: Last June 169 independent service station operators selling many brands of gasoline in several Michigan cities completed management courses. When asked what they got out of it, they said, "It's the most directly helpful aid we've ever had."

Their interest in their business has been renewed, their anxieties lessened. Their suppliers say they are more receptive to advice. They want the station kept clean and bright. They now see why their men should be carefully instructed. They say it's wise to keep good records and co-operate in sales campaigns. Their customers—the consumers, motorists like you—say their service has improved. Customers are buying more because they have renewed confidence.

Many leaders feel Distributive Education might well become the "something extra" through which ever-widening groups of customers can be better served with increasing efficiency.

This is a big subject which has been covered lightly here. In organizing for service, you are sure to accomplish much if you will:

Place the consumer first

Teach management

Give all your people a chance to learn

Organizing for better service should please everybody. It may bring great credit to yourself. Use this new way to demonstrate higher skill as managers.

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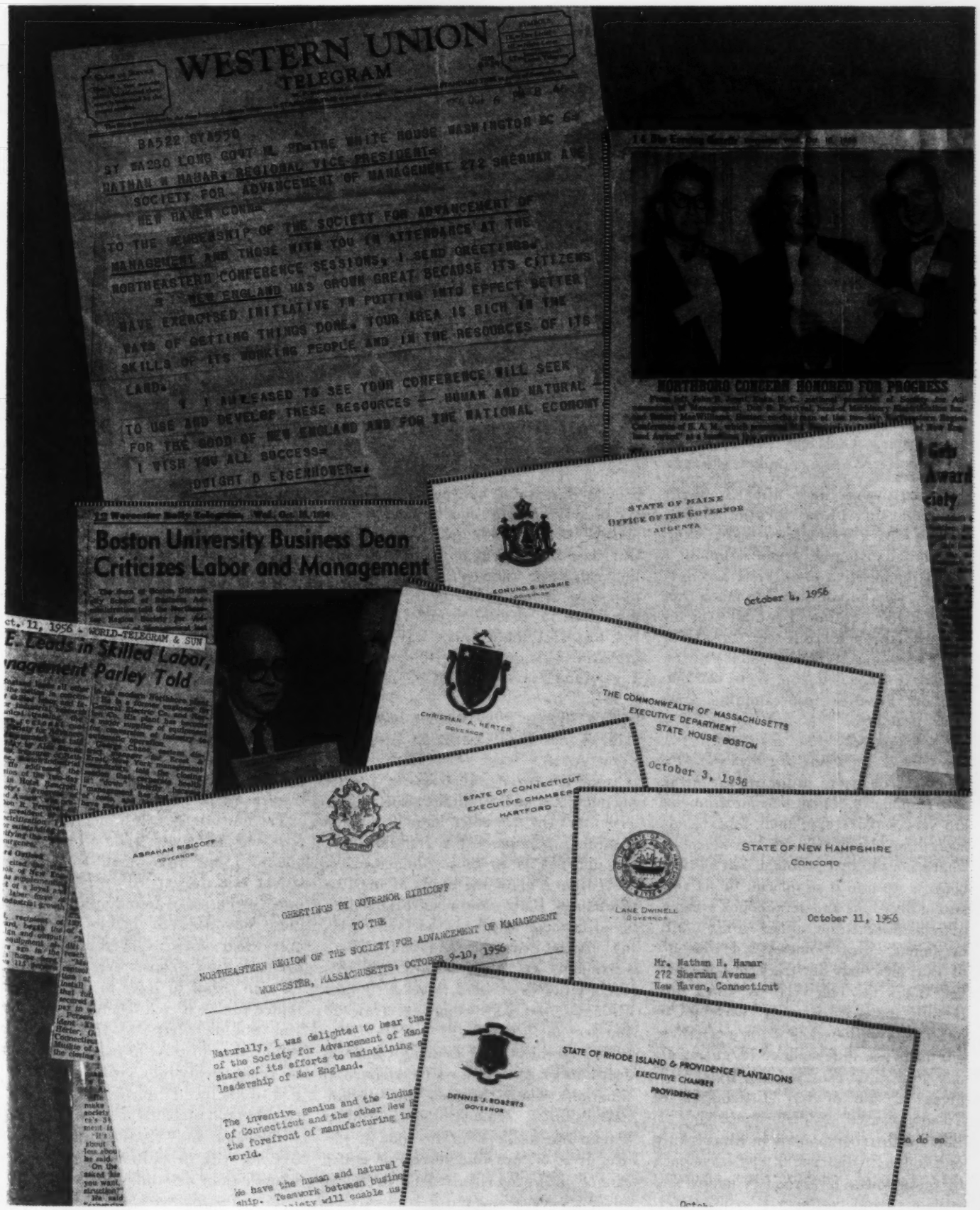
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NATHAN H HAMAR, REGIONAL VICE PRESIDENT
SOCIETY FOR ADVANCEMENT OF MANAGEMENT 272 SHERMAN AVE
NEW HAVEN CONN=
TO THE MEMBERSHIP OF THE SOCIETY FOR ADVANCEMENT OF MANAGEMENT AND THOSE WITH YOU IN ATTENDANCE AT THE NORTHEASTERN CONFERENCE SESSIONS, I SEND GREETINGS=
NEW ENGLAND HAS GROWN GREAT BECAUSE ITS CITIZENS HAVE EXERCISED INITIATIVE IN PUTTING INTO EFFECT BETTER WAYS OF GETTING THINGS DONE. YOUR AREA IS RICH IN THE SKILLS OF ITS WORKING PEOPLE AND IN THE RESOURCES OF ITS LAND=
I AM PLEASED TO SEE YOUR CONFERENCE WILL SEEK TO USE AND DEVELOP THESE RESOURCES — HUMAN AND NATURAL — FOR THE GOOD OF NEW ENGLAND AND FOR THE NATIONAL ECONOMY
I WISH YOU ALL SUCCESS=
DWIGHT D EISENHOWER=
NORTHBORO CONCERN HONORED FOR PROGRESS
Boston University Business Dean Criticizes Labor and Management
STATE OF MAINE
OFFICE OF THE GOVERNOR
AUGUSTA
EDMUND S. MUSKIE
GOVERNOR
October 4, 1956
THE COMMONWEALTH OF MASSACHUSETTS
EXECUTIVE DEPARTMENT
STATE HOUSE BOSTON
CHRISTIAN A. HERTER
GOVERNOR
October 3, 1956
STATE OF CONNECTICUT
EXECUTIVE CHAMBER
HARTFORD
ABRAHAM RIBICOFF
GOVERNOR
GREETINGS BY GOVERNOR RIBICOFF
TO THE
NORTHEASTERN REGION OF THE SOCIETY FOR ADVANCEMENT OF MANAGEMENT
WORCESTER, MASSACHUSETTS; OCTOBER 9-10, 1956
STATE OF NEW HAMPSHIRE
CONCORD
LANE DWINELL
GOVERNOR
October 11, 1956
Mr. Nathan H. Hamar
272 Sherman Avenue
New Haven, Connecticut
STATE OF RHODE ISLAND & PROVIDENCE PLANTATIONS
EXECUTIVE CHAMBER
PROVIDENCE
DENNIS J. ROBERTS
GOVERNOR

CLEMENT J. BERWITZ

Mr. Berwitz worked in the manufacturing, distribution and retail industries until 1935 when he went to work for the New York State Labor Department. He has remained with that bureau, serving in several areas including job analysis, operating the New York City Office, supervising a district and performing staff responsibilities. When the bureau became a part of the War Manpower Commission in 1942, Mr. Berwitz was made Chief of Methods & Procedures for Region 11. When the department reverted to New York State in 1946 he became Chief of Methods & Procedures for Field Operations. Recently Mr. Berwitz was charged with giving technical assistance to the newly organized Puerto Rican Employment Service. His articles have appeared in the *Harvard Business Review* and other publications concerned with the employment security program.

Securing Uniform Decisions In Similar Judgmental Situations

by Clement J. Berwitz

Chief, Methods & Procedures for Field Operations
Division of Unemployment
N. Y. State Labor Department

SEVERAL years ago, after I finally caught up with my favorite relative, the head of a well-known manufacturing and distributing organization in a highly competitive industry, I asked:

"Jim, why do you spend so much time in the field? I followed you all over the country, through your secretary. She never knew exactly where you'd go after your next scheduled stop. Were you putting out fires, or just sampling grass roots' pressures?"

"Not precisely", he answered. "You know we've got a fine organization. Our men have plenty of initiative, are loyal, and responsive. Their accomplishments are very satisfactory; their reports nail everything down, perhaps too much so. That's not the real problem. I'm worried because we find it so difficult to get consistent decisions and actions in the same, or related, situation, either within a city or among cities. Sometimes I wish all of our men had one-track minds—and yet, that's the one type we can't hire because there are so many variables in our business; we cannot operate unless our men use independent judgment all day long. For example, a special deal given to one of our distributors in Toledo causes a disturbance in St. Louis with repercussions in Kansas City and Indianapolis. Yet, after I leave each of those towns, everybody's happy and still our loyal customer. I'm not referring to clandestine or "package" deals. We improvise on the spot to meet a competitive situation the instant it arises. Our men don't seem to know how far they can go on their own in a new situation even though we've set the limits of discretion in general terms. If I could lick this, if I could find a way to get a uniform decision in a given situation, I wouldn't travel a third as much as I do."

"It's strange", my former boss once said to me "that Casualty Insurance Company A's local office in Syracuse is respected for its toughness in adjusting claims, but its Buffalo office is soft as butter. On the other hand, Casualty Insurance Company B's Buffalo office is tough but its Syracuse counterpart is easygoing. I know the heads of the two companies. Both want a uniform policy of adjustment based on the facts—paying claims promptly and fully where warranted. Yet, their adjusters in different cities can't seem to act as if they belong to the same company. How do you account for it?"

The problem of securing uniform decisions or end products in judgmental situations, where the facts are substantially similar, is doubtlessly as old as human life itself. It is the root of justice. It is an exacting discipline which cannot be prescribed definitively in advance because one unforeseen variable in a given situation may affect the end product differently under differing conditions. It has nothing to do with the fetish of uniformity for uniformity's sake. There are virtues, even where options exist, in organizing certain types of entities into fully homogeneous units, each mimicking the other, each having the same sized staff with the same titles, each utilizing the same procedure routines in the same static situation. There is obviously more virtue, however, in such organizations in permitting local discretion in certain areas to meet local competitive conditions within a broad framework of pre-determined policy.

The uniformity with which this article is concerned is the type which would obtain if one individual, with a consistent sense of logic, with unswerving fidelity to a set of tested guiding principles, was able to handle personally every case which required a judgmental determination. Thus, were it possible for Jim's staff to refer to him the case folder for each contingency as it arose, Jim wouldn't have to travel, but he would have to stay up twenty-five hours in each twenty-four, with an ice bag tied to his fevered brow and an electrocardiograph attached to his chest.

Consider the Employment Security System, with its millions of adjustment interviews to determine if claimants are eligible for this week's benefit. Consider

the effect on public confidence if inconsistent determinations were made in different cities for former employees of the same company all of whom were separated for the same reason. Consider the havoc to be wrought to any company if personnel efficiency rating plans, sales promotion campaigns, bank loans, leasing policies, retail store adjustments on returns, failed to operate with the same intended end product to each person served, and the persons involved compared notes. Most fair-minded people will accept an adverse determination, or refusal of service, or denial of credit, or failure to be accepted by their dream college, or will wait their turn equably if everyone else in their group were given the same hard consideration on the basis of the facts, within the elements of a consistent policy. What's sauce for the goose must be sauce for the gander.

What seems to be needed is that each decision maker, or person responsible for creating an end product, must be so permeated with the purpose, objectives, and policies of his company that he is able to carry out the administrator's intention in the absence of specific instruction in a new situation. What seems to be needed is that 100 decision makers, operating in 100 different cities, with a hundred different sets of facts, select the same course of action, thereby making decision making as interchangeable a part as a Ford brake-band! The following excerpt from "The Elements of Administration" by L. Urwick (p. 68-69) illustrates the point:

"Marshall Foch once said that active obedience always presupposes understanding. 'There can be no collective harmony in the active sense in any organization unless each and every one concerned knows what the purpose is!' This definition of the objective is the primary meaning of doctrine. But in all forms of coordinated effort there is also a doctrine of procedure of some kind. It is essential that every member of the organization should not only know its doctrine, but should feel it and absorb it. Provided the objective be desirable and legitimate, there can be built a unity of doctrine which translates itself into a unity of spirit, a moving force ensuring the maximum of continuous and coordinated efficiency.

"One of the surest methods of securing this uniformity of doctrine is identity of training. Sir Ian Hamilton has given a dramatic example of the way such identity of training works in war: 'At a Staff College . . . . we find . . . . selections out of a great service in the first flower of their prime; eager, impressionable, retentive. Upon this plastic, fiery stuff the Commandant puts his stamp. If he is worth his salt, the whole of the Staff Officers passed into the Army during his tenure will have digested his doctrine. Suppose that long afterwards, in some battle the Generalissimo's plan goes wrong; the enemy are weak where they were expected to be strong; there is heavy firing from directions supposed to be clear; the telephones are dumb; the aeroplanes do not return; the fog of war descends. Now, a certain Staff College graduate is commanding a British Corps; a man of his year has the Corps on his right, whilst a man of a later batch, but taught by the same Commandant, is Chief of Staff on his left; *each of these three will know what the other two will do, and what they will expect him to do!*' "

WE'VE heard from the military. Let's see what government practice has to offer. Government techniques have evolved over a period of years, one agency cheerfully borrowing from another, and from industry. The distillate of industrial and governmental experience should provide the most rewarding, ultimate techniques.

I. *Reducing Knowledge To Writing*—Every government agency has its five-foot shelf of manuals: Organizational, Policy, Procedural, Interpretations or Precedent, and, of course, the Forms Manuals; some agencies integrate them into one or two; others like to keep them separate, for some perfectly valid reasons indigenous to the agency. But there they are, formidable, even silly, to the uninitiated; invaluable as bible and arbiter to the sincere operator, though he hates every laboriously written words of it; hates it because it strait-jackets his freedom to do the job *his* (the best) way.

Let's concentrate on policy-procedural manuals. These ordinarily describe the job to be done, the methods to be used, the qualitative standards to be achieved. They start with the objectives of the agency which are implicit in the statute they implement. Thus, the objective of unemployment compensation is to pay benefits promptly, when due, to eligible claimants. Every agency or private organization has its objective or aims. It's remarkable how quickly they are forgotten, or how far afield a policy of procedure can wander until some one redirects attention to the written objectives, upon which everybody once agreed.

Policies, of course, are the by-laws, or "rules", under which objectives are to be achieved. *Everyone legally entitled to service shall be interviewed*, or *Only students in the top 10% of their class can qualify for admission.*

The policies obviously shape the procedures and their component routines: *Instruct applicant for operator's licenses to fill out tripartite Form "A"; review it for completeness; detach applicant's copy (section 1) and hand it to him; detach section 2 and route to alphabetic file; route section 3 to the numeric file.*

Objectives, policies and procedures comprise the basis for statements of qualitative performance standards. For example: *The claimant is to be given an opportunity to present all pertinent facts, either on his own initiative, or in response to questions.* Or, *The interview should be controlled throughout, and be terminated when its objectives have been accomplished.* And *Each letter requesting information is to be answered within 72 hours of its receipt.*

Precedent case manuals, unique to those government agencies involved in adjudications, follow their legal prototypes. They utilize both the case and text book approach. Significant cases are digested and indexed by subject. Interpretative statements based upon appeal board or court decisions provide specific courses of action in situations four-square with the facts presented.

The foregoing types of written material are basic in achieving uniformity in judgmental situations. They comprise some, but not all, the ingredients. Before examining the other techniques, let's review the depth to which instructions should be prepared to stimulate uniform courses of action in judgmental situations.

II. *The Depth of Instructional Writing*—This subject is troublesome, controversial, complicated; the solution is largely dependent upon the state of organizational maturity, i.e., the level of development or "depth" of "doctrine" attained, the degree of competence of the staff, and the character and depth of its training department. This article, however, is not concerned with these particular problems, instead, it will delimit only those aspects which specifically and directly affect securing uniform end products in judgmental situations.

Consider, for example, an instruction to be prepared for a unit which handles complaint letters from the public; assume that twenty-five correspondents, decentralized in three operating units, are employed in this activity. The following represent some of the alternative instructions which might guide this unit in the effective performance of its task.

Possible Depth of Instructional Statements to Staff

1) *Prepare reply to each letter of complaint; mail promptly.*

or

2) *Prepare reply. Include the following elements:*
   - a) *Acknowledge receipt of the complaint.*
   - b) *Select from list of 'pattern' paragraphs (see Form 200) the specific one which best fits the specific complaint under review.*
   - c) *Conclude with paragraph #15 from Form 200 which expresses the agency's appreciation to the complainant for his letter.*

or

3) *Prepare reply to embody the following:*
   - a) *Summary of the nature of the complaint.*
   - b) *Agency policy on this specific contingency; if none exists, see supervisor.*
   - c) *A brief statement of the decision.*
   - d) *Appreciative statement to complainant for bringing this to the agency's attention.*

OBVIOUSLY, not one of the foregoing alternatives, as written, reveals to the staff the specific policy or attitude of the agency toward the reaction to be created *within the complainant.* More specifically, does the agency welcome complaints because they reveal areas of strength or weakness? Or, does it regard complaint letters as a necessary nuisance the writers of which are to be placated as promptly as possible? How far is it willing to go to improve public understanding and acceptance?

Similarly, does the agency want the complainant to *believe* from the reply to his letter that he *has* received *individualized consideration,* that his hurts have been fully explored, that remedies are in process, that this sort of thing will never happen again to him or to anyone else? Does the agency want the complainant to have renewed confidence, to feel free to come in again for service, or, does it want the complainant to feel that its harsh policy is applicable to all, and the customer can "take it or leave it?"

Case No.		STANDARDS 1	2	3	4	5	6	7	8
Totals	✓								
	x								
	0								
Legend:	Enter "✓" if performance meets standard; "X" if below standard; "0" if omitted though pertinent.								

This in a sense is the core of the problem. How often has an executive listened in on an interview, say, concerning a customer's complaint to a department store adjuster, only to be bewildered by the statements made by his employee on his behalf? Unless everyone in the agency concerned knows, and feels, and is permeated with agency policy toward complainants, and the attitudes to be created in them, any uniformity which occurs will be strictly fortuitous.

The remedies are relatively simple. Procedural statements, of course, can be written to include statements of purpose, policies, and guiding principles. Training classes, too, can be created to cover this kind of guiding material. Perhaps the most desirable method of all is to create statements of qualitative standards—in writing—to be issued to each staff member for his continuing reference. These supplement instructional statements.

These standards[1] (statements of the conditions that will exist if the job is well done, to paraphrase Lawrence Appley) are developed most effectively by a work committee[2] comprising representation from the operating unit involved, its supervisor, and any other line or staff, or "program" representation known to be able to contribute. The task involves the determination of the specific qualitative-end products to be achieved, and recording them in terms specific enough to be utilized as guiding principles by the users.

The creation of guiding principles or standards, however, merely sets the stage; they give the agency a fighting chance to obtain uniformity in judgmental situations—but they do not guarantee results. Let's look at a few additional techniques.

III. *Gaining Acceptance Prior to Installation*—This method embraces securing staff participation either during the developmental stages of formulating a policy, standard, or procedure, or soliciting it during the "clearing" stage.

Let me be didactic for a moment. Few procedures are popular. They give the over-worked operator something extra to do when he is sure his cup is already running over; nothing adds more to his indignation than a carelessly conceived procedure. Give him a crack at it during the developmental, or clearance stage, and the chance for willing adherence is measureably improved. Who knows better, within limits, of the operational feasibility of a proposal, than the man who will perform it? Yes—it is a "tension relieving" technique, and ministers to the need for "personal" acceptance. But, how else does one get teamwork—belief in the desirability of the goal—the will to win? How better can one achieve staff responsiveness later on, when it's necessary to get the bugs out of something everyone "bet" would work?

IV. *Performance Evaluation* — These techniques are useful in determining the extent of uniformity achieved in judgmental determinations. Two methods are ordinarily used:

1) Review of records or end products.
2) Auditing, where oral interviews or oral communication is part of the process.

The basis for the review are written, qualitative standards. Evaluation co-

[1] *See Dickson Reck, "The Role of Company Standards in Industrial Administration" in Advanced Management, April* 1954, *for an excellent discussion of substantive and procedural standards and their role in decision making.*

[2] *See article by the author in the* Harvard Business Review, *Jan.-Feb.,* 1952, *on the subject of organizing and operating work committees.*

sists in ascertaining the extent to which standards are being achieved. Areas of weakness become exposed and are subjected to remedial action: closer supervision, coaching, formal training, improved procedures to close gaps, etc.

Some government agencies use "analysis sheets" for "reviewing records." These identify in the "Y" axis, the accompanying written standards established (either by abbreviation, or by number); the stub, or "X" axis lists the specific cases either by name or case number. Narrative comments are entered on the reverse, for specific cases or elements.

THE ITEMS reviewed may be selected at random from the file, thus providing a cross section of production, or may comprise, say, a day's production of an individual employee.

For conducting audits, a form or blank sheet is used with the specific, written standards serving as criteria for the evaluation. These enable the auditor to enter comments on specific elements, while still fresh in his mind, and, also to enter specific phrases deemed objectionable or questionable, for subsequent discussion with the employee.

V. *Centrally Directed Review*—Two approaches are often utilized:

1) Reviewing end products in the field by Central Office inspection teams, sometimes called "Administrative Inspectorate."
2) Requiring the submittal of a random sampling of "completed" cases to be sent to a central office unit for analysis and evaluation.

Both methods assume the use of identical, qualitative written standards by the operating and evaluation staff.

Under the first approach, a team of two experts visit each local installation, say, once per year. They review records and audit interviews or other operation, using guide lists to ascertain adherence to policies, standards or procedures. On completion of the evaluation, they discuss their findings with the local management and recommend remedial action. The emphasis is on local improvement, not fault-finding, or report writing.

An invaluable by-product is that the teams determine the adequacy of centrally prepared policies, procedures, standards and techniques. Suggestions for improvement are relayed to headquarters and correction is initiated promptly. Central units, too, can be wrong!

The second method (central office review of cases) requires each local installation to submit a specified number of cases, selected at random, usually for specific types of contingencies. The Central Unit reviews the cases, compares performance and the degree of uniformity *among* local installations, as well as *within* a single installation.

VI. *Case Conferences* — These are problem solving meetings held at the local, district or regional level. The participants include line and staff representatives. Actual problem cases are presented, for consideration by the group. The objective is staff training, and indoctrination with respect to approach, content, and securing uniformity in similar cases in the future.

VII. *Grass Roots Visits*—In many organizations, the line expert who accepts a staff job loses his field expertness quickly. Conditions change, new personnel, new procedures, new policies quickly alter the original pressures which created our expert and he becomes a novice among his old associates. Frequent visits to the grass roots is a good palliative. It is more than that. It is a vital medium for giving and getting information. The field must know continuously what headquarters is thinking if it is to carry out its intention, and similarly, headquarters will quickly stub its toe if it wanders too far afield from the firing line.

Grass roots visits should have specific objectives; that's at least as important as checking on the health and well-being of the district man's wife and kiddies.

VIII. *Coordination* — Every "good" organization down to the lowliest clerk shares information; no one "pinches" it off in the interest of empire building. Everyone in the company has a stake in imparting any pertinent information to enable it to permeate everyone thoroughly, thereby creating a "oneness" of thinking.

IX. *Administrative Analysis or Statistics*—This method is useful when quantitative records are kept of workload produced, complaints received, actions taken for specific contingencies, or similar items. It involves the maintenance of data and the use of ratios or percentages comparing one item with others.

The first step is to draw up a list of the ratios to be maintained; the second step is to obtain and record the figures, daily, weekly, or monthly; the third step is to analyze the data; the fourth step is to establish "working norms" for each; the fifth step is to go behind the figures when significant deviations appear; and the final step is to take remedial action, where indicated. "Working norms" are ratios which are used as yardsticks: For example, in a well-supervised unit handling applications for service, 7.5% have been rejected consistently. Thus, 7.5% can be used as the "working norm" and any deviation by any staff member in the unit should be explored to determine if the employee is unduly harsh, or lenient. Working norms can also be established through the use of an experimental group.

X. *Pilot or "Stipulated" Cases*—This method is limited to those jurisdictions in which repetitive situations occur, or where a single set of facts applies to many individuals or cases, and a decision in one pilot or "stipulated" case will be applicable to all.

This method is particularly useful where the activity involves legal, or quasi-legal activity. It is used extensively in certain types of government agencies, where referees, or review boards are utilized, or the statute permits appeal to the courts. One test case is referred through the usual channels. The decision is applied to all in the group where the facts are similar.

XI. *Interpretations Units and Program Consultants* — Some government agencies use Central Interpretations Units, where legal or quasi-legal facts are involved. The practice is to permit local installations to contact such central units directly, or through the District Supervisor, to obtain clarification, or advice, concerning the course of action to be taken in a specific set of local facts, within the framework of established policy.

ANOTHER device embraces the use of "Program Consultants"; these consultants are usually responsible for planning the content of their technical program; assisting in developing policies, procedures, and training materials; installing the program in the field; examining and appraising performance to secure uniformity of concept and application; recommending on request, actions to be taken in specific situations; and testing the adequacy of the program content and procedures.

Program Consultants are ordinarily available on a direct contact basis to local installations. ■

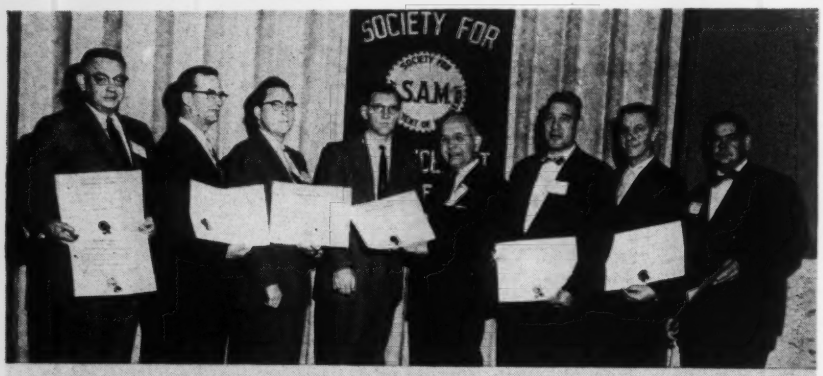
FEBRUARY CHAPTER ACTIVITIES

CHAPTER	SUBJECT	SPEAKER	TITLE	PLACE	DATE
Alabama	Scientific Office Management	Arthur M. Lester	Accounting Machine Sales Manager, National Cash Register	Tutwiller Hotel	12
Athens	Human Relations — A Case Study	Dr. Amos C. Anderson	Professor of Psychology, Ohio U.		19
Baltimore		Dr. Lillian Gilbreath		Sheraton Belvedere	12
Boston	Managements Changing Attitudes in Industry and the Home	Earl S. Havner	V.P., Towle Silversmiths	University Club	14
Bridgeport	How To Make Your Money Go Farther	Herbert L. Brown, Jr.	Editor, "Changing Times"	Algonquin Club	5
	Plant Visitation	Wm. G. Akula, Chairman	Singer Mfg. Co.	AVCO Mfg. Company	19
Central Pa.	Mathematical Methods Used in Operations Research	R. V. Higdon	President, Haller, Raymond & Brown	Penn Belle Hotel	21
Charlotte	Job Evaluation and Job Classification	Ray Grupenhof	Western Electric Co.	Macklenburg Hotel	11
Chicago	Labor Relations: Cost of Living Index — G.A.W. — Grievance Procedures	W. Ivison	Dole Valve Co.	Toffenetti's Restaurant	18
	Charting Time Study Data	R. A. Butcher	Senior Industrial Engineer, Johns-Manville Products Corp.	Furniture Club of America	12
	Current Outlook for Computor Application to Industrial Use	J. Cheely	Remington Rand	Hardings Presidential Grill	5
	Fundamentals of Operation Research as Applied to Production Control	T. Caywood	Caywood-Schuller Associates	Furniture Club of America	21
Clearing	Reducing the Cost of Materials Handling	Fred V. Gardner	Fred V. Gardner & Associates	Clearing Industrial Club	27
Cleveland	Can New Plants and Facilities Be Justified	Richard Muther		Cleveland Engineering Society	11
Detroit	Electronic Computors and Their Influence Upon the Organizational Structure of Industry	Dr. Raymond Villers	Consultant in Industrial Mgmt.	Rackham Memorial Building	19
Georgia	Employee Opinion Surveys	Guy Arthur	President, Guy Arthur Associates	Elks Club	21
Greensboro	Boundless Frontiers	Clem D. Johnston	President, Roanoke Public Warehouse	Greensboro Country Club	12
	Plant Visitation			P. Lorrillard Co.	26
Greenville	"Ladies' Night"	John McSween		Poinsett Club	13
Hartford	Creative Thinking	Douglas Thomson	Supervisor of Employment and Training, U. S. Rubber Co.	Bond Hotel	21
Hudson Valley	Data Processing	Charles A. DeCarlo	Director of Applied Science Div., I.B.M. Corp.	Hendrick Hudson Hotel	5
	Measurement of Clerical Duties	P. C. Lawson, Chairman		De Witt Clinton Hotel	21
Kansas City	Selection & Use of Proper Type Material Handling Equipment	O. S. Carliss	Dir. of Engrg., Yale & Towne	Pickwick Hotel	19
Knoxville	Management and Electronics	R. S. Hughey	Branch Manager, I.B.M.	Deane Hill Country Club	12

FEBRUARY CHAPTER ACTIVITIES

CHAPTER	SUBJECT	SPEAKER	TITLE	PLACE	DATE
Lancaster	Mechanics of Creative Thinking	Wallace J. Richardson	Assoc. Prof. of Ind. Engrg., Lehigh University	Hotel Brunswick	19
London & District	The Evolution of Material Handling	Geoffrey T. Eyton	Production Control Manager, General Motors	Hook's Restaurant	21
Long Island	Purchasing & Stores Control	Louis J. De Rose			25
Los Angeles	Teamwork in Sales	Ed Lawson	Sales Manager, Aluminum Co. of America		21
Madison	Management Citizenship	A. E. Giertsen	Public & Labor Relations Manager, Olin Mathieson Chemical Corp.	Spanish Cafe	13
Milwaukee	Production Control—The Part You Play	Edward Barnett	A. T. Kearney & Co.	E.S.M. Building	14
Nashville	How To Sell Your Ideas	Phil Carroll	Management Consultant	Hermitage Hotel	13
New Haven	Improving Management Development Through Standards of Performance	John B. Joynt	Manager, Management Services Dept. American Enka Corp.	Manero's Steak House	14
	How To Plan Your Retirement (Seminar)	Raymond A. Sittnick, Chairman			21
Northeastern Penn.	Management's Role in Arbitration	Joseph S. Murphy	V.P., American Arbitration Assoc.	Europa Lounge	4
North Alabama	Discussion of Human Relations	Panel Discussion		Russel Erskine Hotel	13
No. New Jersey	Operations Research — Electronic Data Processing			Essex House	14
	Inventory Control	Francis Charles	Contro Manager, General Aniline & Film Corp.	Essex House	21
	Plant Visit			Curtiss-Wright	5
	Design of Wage Incentive Installation	Training Program		Bloomfield College & Seminary	11, 18, 25
Pittsburgh	Automation — Without A Heavy Investment	V. Donald Schoeller	Professor, Case Institute of Technology	Gateway Plaza	21
Portland	Saw Chain Manufacturing	Everett Lillig		Oregon Saw Chain Corp.	27
Providence	Room for Understanding	Saul M. Silverstein	President, Rogers Corp.	Brown Faculty Club	7
Raritan Valley	The Role of Money in Our Economy	Carl H. Madden	Chief, Public Information Div., Federal Reserve Bank	Roger Smith Hotel	20
Reading	Manufacturing Controls — A New Look	H. Ford Dickie	Manager, Production Control Services, General Electric Co.	Iris Club	11
Twin City	Auditing, Evaluation and Follow-Up on Supervisors				14
Western Mass.	A Clinical Psychologist Looks at Management Practices	H. R. Whelker			20
Western No. Car.	American Industry Today	Harvey N. Collisson	Executive V.P., Olin Mathieson Chemical Corp.	The Manor	20
Wilmington	Computors — Tools of Management.	Cuthbert C. Hurd	Director, Computer Development, I.B.M.	Lord de La Warr Hotel	12
Worcester	Community Responsibilities of Management—Fringe Benefits	Albert Schwieger, Moderator	Worcester Polytech Institute	Hickory House	18

1956 University Presentation's Annual Fall



THE 1956 Chapter Performance Awards to University Chapter members were presented by Vice President of University Chapters Professor Harold Fischer of Franklin and Marshall College, at the luncheon session of the Society's Measurement of Management Conference at the Hotel Statler in New York City on October 26.

For the second consecutive year the Indiana University Chapter captured first place award, while second place went to the University of Connecticut. Third place award was earned by Boston University Chapter. Fourth place award went to the University of Pittsburgh, and Ohio University Chapter received fifth place award. Honorable Mention awards were earned by University of Minnesota, St. John's University, University of Rhode Island, Boston College, and Pennsylvania State University Chapters.

University Chapter Promotion Awards, given in recognition of their promotion and support of university chapters, were presented to Senior Chapters: Cincinnati; Philadelphia; Binghamton; Detroit; Greensboro; Indianapolis; Knoxville; Montreal; New Haven; Pittsburgh; Sacramento.

Competition during the past year was particularly keen and many chapters expanded their programs of activities and services. Congratulations are extended to all of these chapters for a job very well done. These awards are granted each year in recognition of the Chapters' achievements in advancing the art and science of management through their educational activities. Awards and banners remain in permanent possession of the winners.

Through the 100 University Chapters in leading colleges and universities, the Society endeavors to strengthen and make more realistic management education. The program has been de-

Recipients of University Chapter Promotion Awards

Photo 1—(L. to R.):**Hugh Cuni**—CINCINNATI (2 citations)—**T. G. Johnson**—SACRAMENTO; **Jack Roberts**—BINGHAMTON; **Eugene Deter**—NEW HAVEN; Professor **Harold Fischer,** who presented the awards; **Frank Sanford**—PITTSBURGH; **Joseph Gillan**—DETROIT; **Carl Beck**—PHILADELPHIA (2 citations). Recipients absent when pictures were taken: **Owen Paul**—INDIANAPOLIS; **Hezz Stringfield**—KNOXVILLE and **D. P. MacLennan**—MONTREAL.

Photo 2—Professor **Fischer** and **Hezz Stringfield** of KNOXVILLE.

Photo 3—Professor **Fischer** and **D. P. MacLennan** of MONTREAL.

Photo 4—**Honorable Mention Winners** (L. to R.): BOSTON COLLEGE—Faculty Advisor Professor **Justin C. Cronin**; Student Officers **Edward A. Duprez, George L. Judge,** Professor **Fischer, Michael L. O'Connor** and **Robert J. Adams.**

Chapter Awards Made at S.A.M. Conference

signed for students preparing for careers in the many functional areas of business and industry in which the practice of good management that makes for greater efficiency in the utilization of men, materials, machines, and money is essential and fundamental.

Management is a profession. Like law, it is an art and a science with its own body of principles, tools, and skills. More than that, enlightened management is a philosophy, an attitude of mind, a point of view; it involves a professional, scientific approach to the problems of industry and business.

Seminars, clinics, conferences, lectures, research projects and plant visits with business executives give students an insight into the practice of the management profession and make more realistic and effective their preparation for life and, in addition, impart to them a sound attitude toward and full appreciation of industry and the American Way of Life. An S.A.M. membership has significance.

The varied programs of the individual chapters have been developed to further the growth of all students regardless of their academic major by stimulating their thinking and widening their knowledge. "Beaten paths are only for beaten men"—as a result, the active and progressive University Chapters add new features to their yearly programs of activity.

Each student chapter is guided by a faculty advisor and assisted by senior S.A.M. Chapters while the program as a whole is under the direction of the National Vice President of University Chapters, aided by the advisory committees of college professors, department heads and business executives.

The Research, Performance Award, Member-

(*Continued on Page 22*)

Photo 5—FIRST PLACE WINNER—INDIANA UNIVERSITY—Faculty Advisor Professor **Bruce McSparrin**, Student Officers **Robert Taylor**, President; **Al Friend** and **Granville Whitaker.**

Photo 6—SECOND PLACE WINNER—UNIVERSITY OF CONNECTICUT—Faculty Advisor Professor **Laura Saeger**; Student Officers **Bradford E. Beadle**, President; **John W. Stroh, Edmund A. Grossman** and **Janet H. Doyle.**

Photo 7—THIRD PLACE WINNER—BOSTON UNIVERSITY—Faculty Advisor Professor **John W. Krey**; Student Officers **Sherman H. Damon**, President; **Jerry Cole, Raymond J. Panneton** and **Andrew J. Poehr.**

Photo 8—FOURTH PLACE WINNER—PITTSBURGH UNIVERSITY—Student Officers **A. Craig Thomson**, President; **Christos N. Kyriazi** and **Louis I. Gorski.**

Photo 9—FIFTH PLACE WINNER—OHIO UNIVERSITY—Faculty Advisor Professor **E. T. Hellebrandt**; Student Officers **R. John Greco**, President; **James R. Seward Jr.**

CIPM Reports . . .

Chile Begins New Management Development Program

"THE ADVANCED Management Seminar constitutes one of the most beneficial and interesting efforts yet made for the dissemination and understanding of modern systems of business management," writes one of the 43 top Chilean businessmen who attended a four-week management course this past summer at the Chilean seaside resort of Viña del Mar. The Seminar was organized by the Council's Chilean counterpart, the Instituto Chileno de Administracion Racional de Empresas (ICARE), in conjunction with the International Cooperation Administration's Chilean office and with CIPM. The latter recruited the Seminar leaders and briefed them for their program in Chile.

The Advanced Management Seminar marked the spread to Latin America of the executive course concept. It was an outgrowth of two previous projects, in the first of which, Edward deLuca, Vice President of Gardner Displays, Inc., of Pittsburgh, spent three months in Chile, working with the Board of Directors of ICARE to organize a program of activities similar to those carried on by American management societies. Mr. deLuca's project was followed by a second, in which four U. S. top management specialists each spent six weeks in Chile holding conferences with their counterparts there on Top Management, Human Relations, Production Management, and Personnel Training. As the Chilean association, ICARE, grew in size and scope of operations, it made plans for this summer's Advanced Management Seminar, which was led by four American professors of business administration — Earl Planty, Harvey Huegy, and Merten Mandeville of the University of Illinois, William Newman of Columbia, and Adolph Matz of the Wharton School, with the assistance of two business representatives — Harold Scherr, President of the Juvenile Manufacturing Company of San Antonio, and John Slezak, Chairman of the Kable Printing Company of Mount Morris, Illinois.

One of the Chilean executives who attended the Seminar has said, "It achieved a degree of success far beyond the most optimistic expectations; it aroused, in a numerous and important group of Chilean businessmen, a wider understanding of, and a new confident attitude toward the problems encountered in the development of their activities." So successful, in fact, was this experiment in management development in Chile, that there has been an eager demand for a repeat performance next summer. In their long range plan for the future, the Chilean organizers of the seminar program in ICARE hope to have the seminars financed by the participants, but before this can be done, Chilean leaders must be trained and the course curriculum and organization smoothed out. Fees will be increased gradually each year, so that if everything goes as planned, the seminar program will operate self-sufficiently by 1960. One of the Chilean organizers has noted that the success of the program was such that "we should like to suggest the idea of establishing in Chile a Center for this type of studies, to which foreign participants might be invited. Perhaps we might consider the possibility of inviting to our next year's program a group of businessmen from certain South American countries which have displayed the most interest in such activities."

As a further aid in its operations, ICARE requested and received a CIPM and U. S. Government sponsored project under which two consultants—one in office management and one in association public relations — made their services available to the Chilean association.

Professor Matz of Wharton reported at the end of the Advanced Management Seminar that "sceptic souls who stayed away this time expressed the hope to be able to participate next year." And of greatest importance in the world today, many Chileans have stated that "the presence of the U. S. seminar leaders and the content of the program contributed immensely to greater understanding between the two nations."

Jane Dustan, CIPM Editor

S.A.M. is a charter member of CIPM, the Council for International Progress in Management, the American non-profit, non-political organization devoted to the practice of scientific management on the international level. CIPM is in turn a member of the International Committee of Scientific Management (CIOS) which represents the organized management societies of twenty-six nations.

CHAPTER MEMBERSHIP STANDINGS

New York	396	N. Alabama	77
Philadelphia	378	Georgia	75
N. New Jersey	335	Columbus	73
Cincinnati	301	Greenville	72
Lancaster	299	Reading	67
Chicago	272	Clearing	64
Cleveland	261	Alabama	63
Pittsburgh	247	Tr. Del. Valley	63
Washington	201	Richmond	61
Boston	196	Hartford	59
Detroit	195	Puerto Rico	59
Milwaukee	173	Central Pa.	56
San Francisco	167	Charlotte	52
Los Angeles	150	W. Mass.	50
Dallas	145	Calumet	49
Hudson Valley	125	C. New York	49
Montreal	124	Twin City	49
Indianapolis	123	London, Ont.	48
Western N. C.	120	Fox Valley	47
Worcester	118	Lehigh Valley	42
Raritan Valley	117	Madison	42
Long Island	111	Nashville	36
Binghamton	109	No. Miss.	36
Kansas City	105	New Orleans	35
Baltimore	102	Westchester	35
New Haven	102	St. Louis	33
Greensboro	97	Athens	30
Sacramento	95	N. E. Pa.	29
Wilmington	91	Portland	26
Providence	86	Louisville	15
Knoxville	82	Stamford	13
Bridgeport	81	Non-Chapter	90
Dayton	80	Non-Resident	94

CHAPTER PERFORMANCE AWARDS REPORT

July 1, 1956-October 31, 1956

Providence	3787	West. N. C.	2172
Kansas City	3562	Charlotte	2109
Lancaster	3527	Los Angeles	2037
Hudson Valley	3524	Twin City	2034
Greenville	3517	Dallas	1942
Knoxville	3476	Worcester	1746
Greensboro	3401	Athens	1484
Bridgeport	3399	No. Alabama	1480
Georgia	3360	New Orleans	1326
Nashville	3238	Montreal	1245
Raritan Valley	3190	Sacramento	1030
Milwaukee	3138	Lehigh Valley	843
Washington	3097	San Francisco	765
Cleveland	3063	Philadelphia	716
Reading	3011	West. Mass.	644
Northeast. Pa.	2956	Central Pa.	594
Chicago	2848	Calumet	
Wilmington	2831	Central N. Y.	
Boston	2800	Cincinnati	
Baltimore	2778	Columbus	
New Haven	2763	Dayton	
Alabama	2727	Fox Valley	
No. N. J.	2705	Indianapolis	
Pittsburg	2686	London	
Hartford	2682	Long Island	
Clearing	2551	Louisville	
Detroit	2520	New York	
Portland	2476	North Miss.	
Madison	2433	Puerto Rico	
Tren.-Del. Val.	2383	St. Louis	
Richmond	2245	Stamford	
Binghamton	2197	Westchester	

HERBERT F. GOODWIN

Professor Goodwin is a native of greater Boston and received his B.S. degree from M.I.T. in 1937. In 1940 he was appointed an instructor in the Department of Business & Engineering Administration and is currently an Assistant Professor of Industrial Management in the School of Industrial Management at M.I.T. Professor Goodwin has been associated with Allan H. Mogensen's Work Simplification Conferences at Lake Placid, New York, and Sea Island, Georgia, participating in their development during the past 16 years. He served with the OSRD during World War II, is a member of the Society for the Advancement of Management (Treasurer, 1938-39; Director, 1940-42 of the Boston Chapter), and a member of AMA and AIIE. Professor Goodwin also does consulting work for industrial plants, in Work Simplification and management. He was the S.A.M. recipient of the 1956 Gilbreth Medal Award.

Work Simplification—An Effective Program Of Improvement

by Herbert F. Goodwin
Assistant Professor
Industrial Management
Massachusetts Institute of Technology

WORK SIMPLIFICATION becomes an effective "Program of Improvement" within any organization when

1. Costs are lower and the quality of product or service is higher as a result of the coordinated efforts of everyone in the organization to achieve these results.
2. The men and women who make up the organization begin to develop personally at an accelerated rate as a result of the improvement process in which they are participating.

It becomes increasingly evident that methods of motivating people to understand and use these techniques, to develop a positive attitude toward the application of the results and to organize the entire work force to participate to the extent of their ability is by far the most important and yet difficult part of our task. Any improvement enthusiastically installed is better than the ultimate worked out in detail but never used.

The common sense of this situation led Allan H. Mogensen to define the term Work Simplification as, "the organized use of common sense to find easier and better ways of doing work."

A Work Simplification program, however, is more than that. It's fun. It provides the satisfaction of being part of a team. It furnishes an opportunity for each person to participate to the extent of his ability. It satisfies man's natural desire to improve. It develops an organization which understands and believes that in the method of doing anything lies the secret of progress. This not only includes technical methods or the physical motions of doing a job, but also the methods of management, leadership and participation, which result in the enthusiastic use of any improvement. All this is achieved through a medium of communication which is acceptable to and utilized by the entire organization. This is no longer motion study alone, but rather, a program of improvement within a framework of executive, supervisory and worker development, based on a simple philosophy of understanding and teamwork. There are three distinct phases which may be identified as such a program develops.

PHASE I is the *Appreciation* phase in which the entire organization becomes aware of what Work Simplification is and understands its implications as it may involve them as individuals as eventual participants in the program. Later it becomes the key phase in the continuation of the program by completing the circuit of communications and constantly adding new grist to the mill.

PHASE II is the *Educational* phase in which the philosophy, the tools and techniques and procedures for application are developed internally by small groups using the conference method. The research point of view and the desire to experiment with methodology is the order of the day. Such an approach orients the thinking at the levels of the ability and responsibility of the people in any group. (This phase has been erroneously considered by many as the only phase and thus in many instances has been used as training alone. As such, its effect is usually meager and short-lived compared to the constantly growing benefits from a complete program.)

PHASE III is the *Application* phase in which organized and continuous use of the common sense tools and techniques is made in order to develop and apply improvements at every level of the organization and in all activities. This is done through appropriate project teams within a policy framework created from within to fit the organization and the circumstances involved.

These three phases are discussed in detail with reference to their graphic representation on the accompanying chart. Here, perhaps, is an ideal composite of the latest thinking. Few organizations have done all of it in one program but many are well on the way. Others intentionally are only interested in parts, or take an entirely different approach.

This analysis is presented in the hope that it may serve as a guide to those who may be contemplating the instigation of the activity. It may assist them in avoiding some of the pitfalls. They may realize that Work Simplification is actually a long term program of steady improvement, not a "shot in the arm" solution to the problems involved in an immediate situation of high costs or poor relations.

IT IS FURTHER hoped that those who already have a program, no matter what the degree of development, may find some ideas here that will help them to add new life and power to their effort: (The following section headings refer to the attached chart.)

(a) *YES OR NO MAN*—Every organization has one man who can say "yes" or "no" and mean it. This may be the president, the treasurer, the chairman of the board or it may be a little old lady who owns 51% of the stock but never puts in an appearance at the place of business.

In large corporations with many divisions, the division head may be the man who can say "yes" or "no" provided his operation stays appropriately in the black. He may be able to work quite independently of other divisions or of any central policy.

Some companies are so organized that a small group is expected to make final yes or no decisions. Even so, one individual is often likely to dominate the group.

Whatever the specific situation, the so-called "Yes or No Man" must somehow find out about Work Simplification. He must become interested at least to the extent that he wants to learn more about its potential and how to go about setting up a program. Appreciation must eventually permeate the entire organization, but it must begin at the top. This happens when the "Yes or No Man" wants more information, and takes action to get it.

(b) *THE TOP EXECUTIVE GROUP*—The executive leadership of the organization as represented by the heads of each major activity usually make up the close advisors of the "yes or no man". They should get an opportunity to influence him in his decision with respect to the advisability of proceeding with Work Simplification and participate in any preliminary review and evaluation of it.

This top management team should take whatever steps they can to be as well informed as possible. A three-day session away from the usual place of business is perhaps ideal. One day is a typical compromise. Anything less reduces the possibility of real appreciation accordingly.

This meeting is often led by a specialist in the field or a man from within the company who has made a thorough survey of Work Simplification programs in general. Perhaps, in the latter case, he may have taken a special course of study for that purpose.

The subject matter usually consists of a development of the basic philosophy of improvement as utilized in Work Simplification, a brief review of the tools and techniques employed and a summary of the three phases of the program as set forth here. The final moments are reserved for a problem solving conference on the advisability of proceeding and if so, how best to do it. The usual result is agreement to experiment with a "pilot group" through phases II and III in order to more effectively evaluate the program in the light of the specific needs of their own organization. Appreciation sessions for the organization as a whole (c and d) are also discussed at this juncture and are scheduled if they appear desirable.

(c) *COMPLETE MANAGEMENT ORGANIZATION*—Initial appreciation sessions for this group are usually limited to a two-hour informative presentation and are often scheduled as an evening dinner meeting. The larger organizations often find it easier to arrange them during working hours by planning for two or more sessions. A portion of the management group attends while the other covers the supervisory needs of the operations, then, vice versa. An evening dinner meeting, however, usually arouses more interest and attaches greater importance to the new activity. Executive or "yes or no man" preference usually sets the stage here.

THE IMPORTANCE of this meeting lies in the fact that it exemplifies the Work Simplification approach. It is preferably opened by a few words from the "yes or no man". All hear about the proposed program at the same time. Grapevine interpretations of unknown activities are therefore minimized. Interest and enthusiasm are aroused as much as possible. If a group is small enough, most of the basic Work Simplification philosophy can be developed right in this meeting. Everyone hears that the top executives have participated in an appreciation session and were impressed to the extent that they have approved experimentation with a pilot group. (e and f) This group will begin regular discussions soon and will be followed by others if they prove to be successful.

They hear that progress of the pilot group and the program as a whole will be publicized to the greatest extent possible. A motion picture may be shown as an illustration and the fact that films will be used may be announced at this time. This group should be notified of the appreciation session for the entire work force if one has been scheduled.

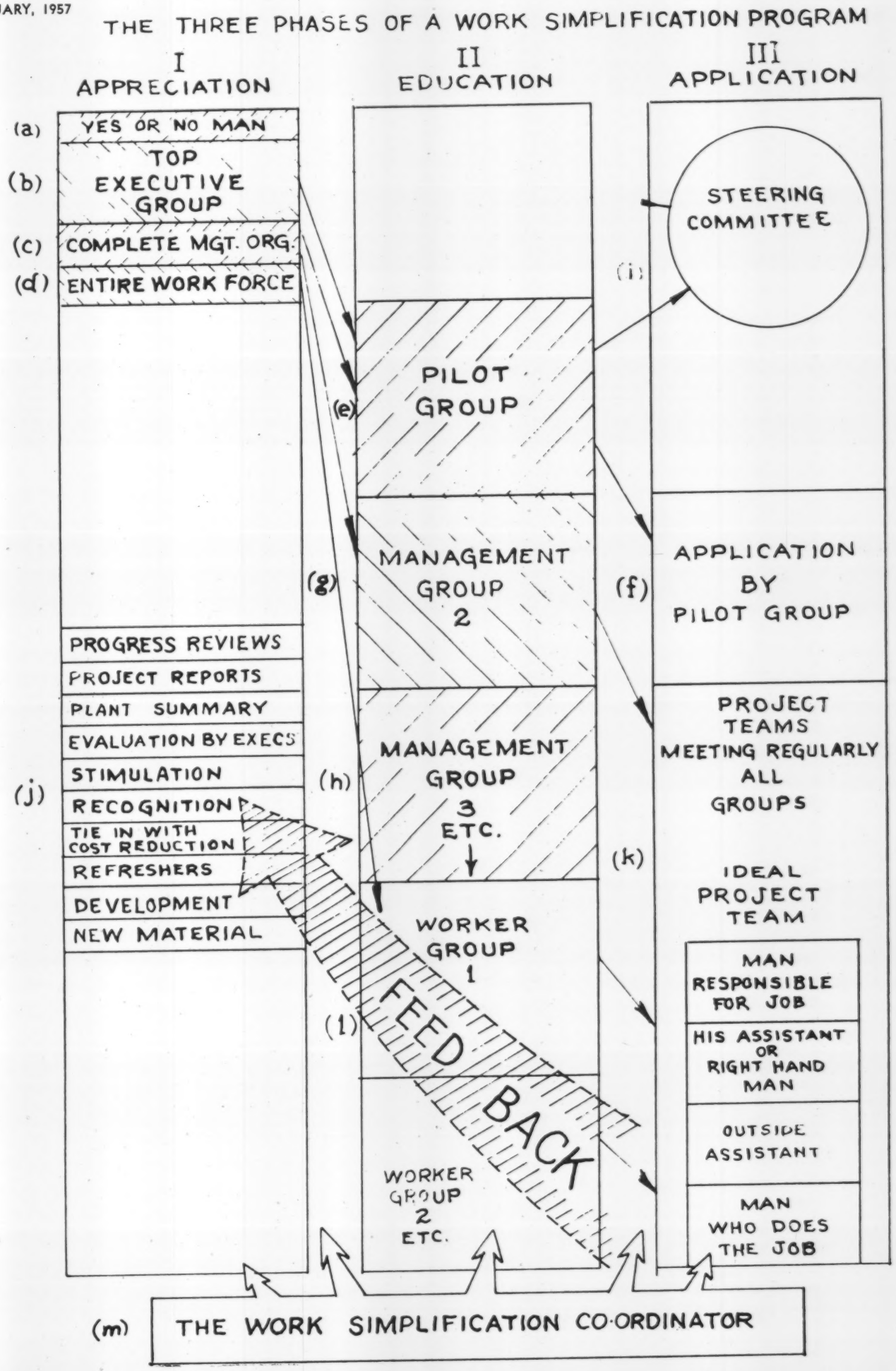
Union officers and stewards are often invited to this session as a preview of the work force session or in lieu of such a session.

(d) *ENTIRE WORK FORCE*—Appreciation by the entire work force takes on a different degree of importance. The confidence that this group needs in the management in order to secure understanding and cooperation may well depend on the willingness of the "yes or no man" to schedule this meeting or arrange appropriate publicity. People invariably mistrust what they don't understand. The grapevine can sometimes twist things so as to defy recognition. This is particularly true if a few people have some unaired grievances.

A MEETING of the entire work force at one time or by departments or shifts

A meeting of the entire work force at one time or by departments or shifts for about one half hour appears to be the most effective means of informing them of the program and soliciting their interest, participation and cooperation. Such a meeting would review a little of the Work Simplification philosophy, what it is, and equally important, what it isn't. All get the same first-hand story. They hear of the previous executive and management appreciation sessions and of the decision to experiment with the pilot group. They learn that it is being tried as a long range improvement and development program that must benefit everyone if it is to be successful.

This meeting is the step in the early stages of a Work Simplification program which is most often omitted. It is often difficult to implement in the larger plants because of the numbers of people involved and the inadequacies of facilities and geography. The cost is often considered too high this early in the program since there has been no


THE THREE PHASES OF A WORK SIMPLIFICATION PROGRAM
I
APPRECIATION
II
EDUCATION
III
APPLICATION
(a)
YES OR NO MAN
(b)
TOP EXECUTIVE GROUP
(c)
COMPLETE MGT. ORG.
(d)
ENTIRE WORK FORCE
PROGRESS REVIEWS
PROJECT REPORTS
PLANT SUMMARY
EVALUATION BY EXECS
(j)
STIMULATION
RECOGNITION
TIE IN WITH COST REDUCTION
REFRESHERS
DEVELOPMENT
NEW MATERIAL
(e)
PILOT GROUP
(g)
MANAGEMENT GROUP 2
(h)
MANAGEMENT GROUP 3 ETC.
(l)
WORKER GROUP 1
WORKER GROUP 2 ETC.
FEED BACK
(i)
STEERING COMMITTEE
(f)
APPLICATION BY PILOT GROUP
PROJECT TEAMS MEETING REGULARLY ALL GROUPS
(k)
IDEAL PROJECT TEAM
MAN RESPONSIBLE FOR JOB
HIS ASSISTANT OR RIGHT HAND MAN
OUTSIDE ASSISTANT
MAN WHO DOES THE JOB
(m)
THE WORK SIMPLIFICATION CO-ORDINATOR

major return from Work Simplification thus far. When Work Simplification becomes established, it is occasionally then scheduled as a report on progress.

Alternatives to such a meeting are available in the form of write-ups in the house newspaper. Sometimes a special issue is prepared just to announce the new program. Since Work Simplification has only been set up thus far as an experimental program and is just being tried out by the pilot group, some executives feel that they should hold back any publicity other than that fact alone. Inadequate early publicity will usually place a heavy responsibility on the supervisory staff. The success of the program may well hinge on the effectiveness of their explanations.

(e) *PILOT GROUP* — The "pilot group", usually limited to from 12 to 16 men, is preferably composed of department heads or the operating leadership of each area of activity. It should include at least one or two of the top executives in order to maintain a continuity between the original appreciation sessions and the pilot experiments.

This group reviews in detail all of the educational material which may be used in subsequent sessions by other groups. They participate in the development of the Work Simplification philosophy, experiment with the use of the tools and techniques and review typical programs of application as developed by other companies.

Such a series typically consists of fifteen to twenty meetings of approximately two hours duration spread about a week apart. Some companies are experimenting with fewer but longer sessions spaced further apart. For example, a small company with three shift operation felt they could not hold the meetings during the regular hours or in the evening and have all of their top people present. They arranged to have longer sessions scheduled over two different weekends. All day Saturday plus Sunday afternoon and on into the evening proved to be a very effective arrangement for them. The two full weekends were spaced six weeks apart with self-assigned projects being worked on by small groups during the intervening period.

The principal responsibility of the pilot group is to critically analyze the material presented with a view toward redesigning it to fit their own organization. So that each participant may have an opportunity to "try out" Work Simplification as a part of this procedure, each is requested to select five or more operations or activities which seem to need improving or appear to him to be suitable for experimentation. Subsequently, each member of the group is expected to practise on one of these, thus actually becoming involved in the improvement process at the same time learning something about it.

DURING this exercise, all pertinent facts are collected by each individual with respect to his own project and presented by him to the rest of the group. In so doing, he uses the Work Simplication approach and the tools of analysis which the group has thus far discussed. These usually include the Work Simplification and problem solving pattern, the flow process chart and flow diagram, films, and existing write-ups of any kind which are already available in the particular organization involved. For example, when an elaborate job instruction or standard practice program exists in a given situation, the men are encouraged to use the material which is already available.

After the data thus collected has been reviewed by the group as a whole, they select three or four of these for further study. Three or four-man teams then concentrate on these projects during the remaining sessions. Actual situations thus become the vehicle for discussing each new tool or technique, as well as involving the group in the human relations problems incident to the use of these procedures. The remaining projects not selected become a backlog for future study.

The teams of three or four also meet apart from the main group between each scheduled session. Then, each week when everyone is together, a portion of the time is devoted to progress reports, review of any difficulties encountered and creative suggestions by the entire group. Films of these small group meetings along with those of the actual activity are effective in adding interest and enthusiasm, as well as providing catalysts for creative thinking and a means for documenting the progress. Sound applied extemporaneously by the people appearing in the pictures adds a most effective measure of participation and recognition.

Policy of procedure becomes the main subject as the participants begin to orient their thinking toward the problems involved in useful application of the results of their efforts. This leads to their final session which naturally becomes a problem-solving conference directed at organizing themselves into the application phase, establishing committees to re-orient material to be presented to succeeding groups and scheduling progress review meetings, at which time they will reconvene to check on their own effectiveness.

Experiences of other companies are often brought into the discussion as guides or possible alternate approaches. The group is usually quite willing to accept one of these as an experimental procedure. It is usually the feeling that they will be in a much better position at a later date to establish their own specific policy. This is a very desirable result since it establishes a condition of flexibility requiring constant review. The later need effectively leads the way to subsequent organization of the steering committee (i).

(f) *APPLICATION BY THE PILOT GROUP* — Application by the pilot group usually involves experimentation with a few more projects from the list of those previously charted but not studied during the educational phase. Project team groupings become one of personal preference rather than the

(*Continued from Page 17*)

ship, Community Projects, Chapter Relations, Seminar and Industry Advisory Committees play an important part in the University Program today by providing valuable assistance to the Vice President in the formulation and application of policies, programs, and procedures that make more effective the operation of the University Chapters and the realization of their basic objectives.

Last year was an outstanding one for the University Chapters. Already new records have been established and the present year will far surpass the accomplishments of last year. All members of the University Chapters seem to be proud to be part of a dynamic national professional management Society that is moving forward in its service to industry, education, and the community. ■

Harold Fischer

UNIVERSITY CHAPTER GROWTH

Sept. 1955	**69 Chapters** **1,910 Members**
Jan. 1957	**100 Chapters** **6,000 Members**

"ideal project team" (k) since often those in the pilot group may not be directly responsible for the activities they select to study. This very fact usually emphasizes the need of educating the entire organization while in the meantime informally involving everyone concerned with any particular project.

These new project teams meet on their own at times they schedule themselves. It is desirable to set up a procedure for circulating minutes of such meetings to all members of the pilot group and to require the scheduling of the next meeting before adjourning. This policy provides excellent control over minimizing duplication, establishing good liaison between all the members of the group and reducing the possibility of a few being "just too busy to get at it".

Approximately once a month the group can reassemble as a whole to hear the progress of each team, review any new films they have taken of the activities under study and have a round of creative discussion with respect to all aspects of each project. This leads the way to regular review sessions with reports of progress becoming the agenda of the meeting. (j)

The implications of the review session take on added importance as the second management group nears the completion of its education phase and prepares to join the pilot group in application. Need for new plans for organizing the application activity becomes apparent as this situation develops.

(g) *SECOND MANAGEMENT GROUP, THEN THIRD, FOURTH, ETC.*—The second management group is usually made up of the right-hand men of those participating in the pilot group. Often, they are selected by the pilot group as they finish up their own educational sessions. They participate in a similar series of educational discussions which incorporate whatever revisions have been proposed by their predecessors.

There is rarely any major change. Rather, the recommendations usually involve more or less weight on certain topics or sections as they appear to affect the particular situation. Increased emphasis is quite regularly requested in the area of human relations, particularly among the upper levels of management. The way is generally left open for the groups which follow to continue to edit the material. This is highly worthwhile on the basis that it gives every group an opportunity to participate in the development of the program. Since there is new material appearing all the time, it becomes a very convenient arrangement from the point of view of adding new grist to the mill and setting up the need for later refresher sessions (j).

All members of the second group as well as ensuing ones are requested to select five or more jobs or activities which appear to them to need improving. These they use in the same manner as the pilot group did. Each chooses one from his own list as a practice subject for accumulating all of the facts. A few of these are then selected by the experimental project teams. The remainder becomes a backlog as the group joins the previous one in the application phase.

THESE experimental project teams have the advantage of counsel from members of prior groups. They are encouraged to seek assistance in this area since it initiates the eventual liaison necessary for transition to the application phase.

In essence, this group receives the same treatment as those preceding with the exception that their final discussion can now be developed out of what has been previously established.

The subject of this session is always on the identical theme: "How can this group best merge with the previous ones in an organized program of application". Here, again, is actual participation on the part of the people who are closer to the job. Since this procedure remains flexible, each has a chance to influence the direction it will move. Policies set up by previous groups and approved by the steering committee (j) become a base line. Major changes are rarely recommended but it would be still more unusual for any group to fail to produce some useful innovation in the procedure.

It may be desirable to bring the pilot group or the steering committee (j) into session to review these recommendations if they are at all radical in nature, or if it appears appropriate in order to give some recognition to those who are responsible for them. This can add a generous measure of team spirit for all who have participated in the development of the program thus far.

This same format is used with each succeeding management group until everyone in the organization has participated in the basic educational phase. Their backlog of activities which need improvement become a regular source of new project material as they join previous groups in the application phase.

(h) *APPLICATION BY OTHER GROUPS IN ORGANIZED PROJECT TEAMS* — As each new group moves from the educational phase to the application phase, a new opportunity to re-organize for the most effective procedure becomes available. The more members of the organization who have participated thus far, the more nearly they can approach the ideal — every member of the organization interested in and enthusiastically participating in the improvement process, each to the extent of his ability.

New project teams can be immediately set up to include the new men. Since these are often assistants to previous group members, the ideal project team (k) can begin to take shape in some instances. With teams set up on a vertical basis within the organization, it becomes easier for upper levels of management to delegate the more detailed work to those who now join them.

Since it is expected that innovation will continue even within the improvement procedure, the atmosphere of research and experimentation is maintained constantly. The questioning attitude and the creative approach is exemplified. New lines of communication are more readily established and old ones are freed for more effective use.

As the number of people involved increases, the need for progress reporting and liaison between teams becomes obvious. Published lists of projects being studied and the participants on each team keep everyone abreast of progress. It affords the opportunity for executives to pass along a word of advice with respect to the importance of one project over another or to add a suggestion of his own. He is often in possession of information which may well affect the activity under study. He might not normally communicate it to a lower level unless he knew of the work through publication of these activity lists. It also allows the executive to participate more regularly by giving him the opportunity to add an item or two to the list if he chooses to do so.

As organized application begins in earnest, it rapidly becomes apparent that the people actually doing the job have an important role. They can most effectively be drawn into the program early in the application phase on an informal basis. Films taken of the

activities under study afford a convenient opportunity to do this. Portions of the project teams' discussions may be held right on the job with those involved or they might be brought into the actual meetings occasionally. Some means must be found since a more formal introduction to Work Simplification must naturally wait until all of the supervisory personnel have participated and the regular worker program (l) can be set up in turn.

(i) *STEERING COMMITTEE*—The steering committee is a natural outgrowth of the pilot group activities. It fills the need for establishing broad policies of procedure and for keeping the top executives informed early in the program.

This committee is appropriately composed of two or three of the top executive group, preferably including the "yes or no man", in addition to two or three members of the pilot group. The most likely candidates are those who have shown the most enthusiasm and by their actions have indicated a desire to see the program effectively utilized.

This committee now becomes a small, effective team of executives whose responsibility it is to see that the company gets the greatest benefit possible. They should meet regularly to review the over-all progress of the Work Simplification program, evaluate its effectiveness and clarify policies with respect to long-range aspects. In the early stages of the program they may wish to meet quite often. Later, once or twice a year is a typical meeting schedule or only when requested by the staff member (m) who has the full time responsibility of leading Work Simplification within the company.

Since members of this committee are high-level policy makers, they back the program with prestige and authority as well as render needed executive recognition. It is through this group that the feedback procedure (j) is initially set up. They also supply needed top level counsel if any difficulties should arise which involve inter-departmental relations.

(j) *FEEDBACK* — This portion of the Work Simplification program completes the circuit of communication which began with the "yes or no" man when he first indicated his interest. At regular intervals reports of progress, dollar or man hour savings or summaries of accomplishments are necessary if interest is to be continued. Of equal importance is the need for top level recognition of the results obtained.

One company holds a monthly progress review dinner which is attended regularly by each department head. If he cannot be present, he sends a representative in his place. (This group is essentially the original pilot group or those in the same position) All of the top executive group are invited and at least two put in an appearance at each meeting. Everyone, including workers, who have participated in projects which have been completed during the last month are also invited. Appearance at the dinner becomes a form of recognition.

THE after dinner schedule includes an introduction of each individual present for the first time as well as a word or two from the top executives. This is followed by a review of completed projects with those participating in each telling the story. Any films which may have been taken are projected as part of the presentation. An open discussion usually follows the review of each project which invariably leads to more projects being added to the list.

A summary of the progress for the year to date is passed out to all those present and circulated to all regular members and the top executive group. This report lists the projects by department, the number undertaken, those completed or discarded and the man hours or dollar savings.

Many companies use various other approaches. The plant newspaper or magazine is used in some instances. One big department store has a "President's Luncheon"—similar to the dinner meeting described above. The president himself always attends. Some feel that less fanfare is more effective and written reports are simply circulated to interested parties. All successful programs have one thing in common—a realization at the top that the circuit must have complete continuity, the lines of communication must be open and new activity must be stimulated by top management recognition.

As programs develop, many of them are integrated into routine procedures of the plant operation. If a cost reduction program or a suggestion plan exists, most companies tie Work Simplification in with them. Sometimes, they even initiate these programs to stimulate activity. Few new suggestion plans are being launched, however, because most of them tend to emphasize the individual idea rather than the development of improvements by individuals as part of a team.

Continuous feedback of progress and results in an atmosphere of creativity and new material is a constant catalyst to further appreciation and understanding of the potential of Work Simplification as a long-range program of improvement.

(k) *THE IDEAL PROJECT TEAM*—The ideal situation is one where everyone is constantly participating in the improvement process, each to the extent of his ability. The intiative should be in the hands of the man in charge of the activity and he should be using the most powerful forces of improvement available to him and economically appropriate for that particular project. This thesis emphasizes the line organization on the basis that staff service functions are desirable and should be requested by the line to the fullest extent available. The idea project team would then become the man responsible for the activity, his right-hand man or assistant, outside assistance and the man who does the work.

The man responsible for the activity can be anyone from the chairman of the board or the president all the way down to the production worker or office char-woman.

A supervisor wants to improve the production flow through several operations in his department. His logical team might include in addition to himself, his assistant foreman, one of the industrial engineers plus the men who are actually performing the operations. The Work Simplification philosophy develops the foreman to realize that in addition to his own right-hand man the different frame of reference of someone else like the industrial engineer plus that of the men on the job should provide better results and more enthusiastic acceptance.

If it is a new piece of equipment which is being considered, the outside point of view might be supplied by a sales engineer of the equipment manufacturer or a technical expert from the mechanical engineering department.

The plant manager could well set up a project team at a higher level to consider the advisability of a new plant layout. His chief engineer might then become his right-hand man, perhaps his top industrial engineer the outside frame of reference and the production manager the man who would be responsible for doing the job.

The bigger and more important th

project is the higher the level of brains within the organization that are brought to bear on it. An open mind and experience with creativity among all people leads the man in charge to seek out ideas from everyone who could help. He makes sure that he gives all an opportunity to participate who should be interested in doing so, and takes the responsibility on himself to create that interest.

It is not always possible to have the best team available to work on any specific project. Many times a team is not necessary at all as in the case of a mechanic arranging his own workspace so he may perform routine tasks more easily. There may be more important things on which certain people should be spending their time. An understanding of the need for priority and a constant review of project lists develops into a policy of delegating more and more activity down the line as the organization improves its ability and warrants more confidence from above. The project teams change their character as the capacity of each individual becomes more fully utilized. The trend is one of getting closer to the actual doing of the job.

(l) *WORKER GROUPS*—Some companies balk at the idea of the hourly work force participating in the educational phase on a formal basis. There is no doubt that an effective job can be done informally by enlightened and enthusiastic first line supervision. Rarely do we find this type of supervision where executive management refuses to allow even experimentation with a small portion of the work force. Formal worker participation in the educational phase, while not normally as productive in tangible dollars saved as at higher levels of influence, none the less have produced some gratifying results just about everywhere they have been tried.

The very fact that management has considered them important enough to include in the program, has had a marked effect on attitudes and feelings toward the company. Improvement in this area comes with understanding and understanding is the basis of the Work Simplication philosophy.

Worker series vary greatly in their content from plant to plant. In some industries, it would appear quite natural that because of their narrower sphere of influence the hourly paid employees would be given a much narrower version of the basic Work Simplification material. In others, top management insists that they receive exactly the same treatment as management people.

Girls working in a highly technical electronics equipment plant could scarcely be expected to be familiar with the data necessary to participate effectively in projects involving such information. They certainly can contribute to the best arrangement of parts and the sequence of material within the workspace. Thus, the principles of motion study and the workspace may well be most of the technical discussion necessary for this group. On the other hand, men in a tool room or a railroad maintenance shop, who have learned their trade as apprentices, may well be in a position to use the tools and techniques of Work Simplification more effectively than a new supervisor in the previously mentioned electronics plant.

(m) *THE WORK SIMPLIFICATION COORDINATOR*—The Work Simplification coordinator is the man who has the detailed operation of the program as his full-time responsibility. He is preferably selected from within the organization. Qualifying prerequisites are his interests, his previous training, his knowledge of the plant and its people and his desire to do the job. He may need special training to prepare him for all phases of the activity, but this can often be gained by attending any one of a number of courses offered by many of the colleges and universities or by specialists in the field.

THE NEED of his man becomes acutely apparent early in the appreciation phase when the "yes or no" man is just getting interested or the top management group is discussing how to proceed with the pilot group. Often a delay is necessary at this stage until the man selected has time to prepare himself to lead such a group. In some cases, professional assistance is used during the early stages and the coordinator is trained along with the pilot and second management group, then takes over from there.

His duties include such things as leadership of the educational conferences, scheduling project group meetings, taking of motion pictures, compiling or editing progress reports, maintaining project lists and compiling plant-wide summaries for evaluation by the executive group. He is a member of the steering committee and keeps that group informed of the state of the program.

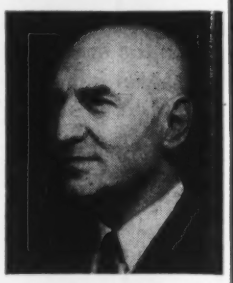
He usually answers quite high in the organization early in the program when the need for high level backing and prestige is most critical. He reports in many instances to personnel, industrial engineering, the comptroller, the vice president or president. The important point is not where he reports in the organization but the implication of that position in terms of how broad a field he is allowed to effectively cover.

In large plants employing several thousands, there may be several men on the Work Simplification staff since many groups may be carried on simultaneously. This activity has been used by numerous companies as an executive development area since it exemplifies improvement-mindedness in an atmosphere of teamwork. One large utility has a permanent staff of two men and transfers two men a year into the department from the line for a period of one full year, then relocates them back in the line again. They may not necessarily return to the same position. Often, if they have handled themselves well in Work Simplification, they are placed in a spot where they may move up more rapidly.

OBSERVATION AND CONCLUSIONS — Work Simplification is an effective program of improvement when used correctly. What may be the proper procedure in one organization may not be so in another. Each must find out by actually studying its own situation.

Too many companies have made the mistake of thinking of Work Simplification only as a supervisory training program. Others have erred by using it solely to bolster a suggestion plan. Because of the publicity it is receiving in this era of mounting costs and increased competition, countless people are using the words without realizing their full meaning. All too many executives still feel that they and their experts will dictate the methods and supervisors will see that the people do as they are told.

Work Simplification is an effective program of improvement because it functions in an environment of friendliness. It develops a philosophy of improvement through teamwork and understanding, together with the personal development of the individual. It gives each an opportunity to participate to the extent of his ability. It recognizes that the greatest thinking will come from the people who have the most brains, but the greatest power will come from all of the people working together as a team. ■



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A pioneer in the field of management development, Mr. MacCullough has served many types of corporations and other institutions as an advisor in Organization Planning and Management Development. After 15 years in public and private school administration, he went to the American Viscose Corporation in 1944 to take charge of their Management Development program. He did similar work for the Vick Chemical Company. In 1948 he became an independent Management Consultant. Mr. MacCullough lectures on Executive Training Programs at various Graduate Schools of Business Administration, has spoken before members of A.M.A., S.A.M. and A.S.M.E. He is the author of Conference Board Reports on the use of the university programs, and co-author of an A.M.A. study on Management Development.

Critical Views of Advanced Management Programs

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PROBABLY the most important development in the field of adult education that has occurred in decades is the Advanced Management type of program now being presented by universities. For a long while the academic world has vainly tried to make the world of business and industry recognize the practicality of advanced and continuing education. There appears to have developed through these programs, at long last, a more promising acquaintance between these two worlds which has potentially untold advantages for each. However, there are many signs that this budding romance may never fully develop into an effective partnership.

Now that a substantial number of companies have used these programs for five or more years and universities have had experience with the programs and with the companies that participate it may be timely and healthy to present the critical views of each party in respect to the other. This discussion, therefore, is based on a rather thorough examination of the views of many companies as well as of the universities which offer the programs and are blended with my own observations, since I have seen the total picture for several years.

The American proclivity for a simple packaged solution to problems leads many companies to expect too much of the programs. Even casual observation often reveals that companies consider these programs as the "Alpha and Omega" of manager development—that the only thing a company must do to convert a specialist into a generalist is to send him to a program. Usually, these are the companies that do not plan ahead five or ten years in terms of executive needs and anticipated position requirements, nor do they examine the qualitative aspects of the replacement problem. Consequently, these companies do not have a total planned program which provides for individual executive growth. Of course, it is such a company that expects miraculous changes to occur in a man because of his participation in a university program and then are subject to a sense of disappointment when it is realized that nothing of the sort happened.

The second observation deals with company failure to prepare a man for participation in a university program. Too often the executive is not involved in the decision as to whether he should attend a program and which one he might prefer. The executive must be involved in the decision to take this form of training. If he is being "sent" he is a captive audience. If he cannot accept the need for this kind of training he may resent the whole idea and therefore it will have no effect or even an adverse effect on him. This might indicate more skillful counseling with such people before the decision is reached to send him.

Unless a company cooperates with a man who is about to leave for a program by aiding him in numerous ways "cover" his position while absent he will be concerned about his responsibilities during the period of his attendance. His duties must be so completely absorbed by others, preferably of his own choosing, that he will be able to concentrate on his own participation. Anything less than complete freedom for the participant will limit the return on the company investment. Unfortunately, daily telephonic communication with the office is witnessed in many schools, a practice which indicts the man, his company and the program. Too often the company fails to condition a man as to what to expect from attendance at a program unless, by chance, a registrant has been "briefed" in advance by a previous participant he is often at a loss to anticipate the work and the routine he will follow. To quote one man, "Before going away I did not know if it (the program) would resemble a conference, a convention, a seminar, a vacation, a revival, a brain-washing or a combination of them all." Finally, an effort should be made to determine if the man's reading skills are adequate

for the requirements of the program, and if not, to offer training.

But the uneasiness of the man who is poorly prepared to leave his job is nothing compared to his discomfort when he returns unless the company has well-developed plans providing for his re-assimilation. Otherwise, he is certainly "on the spot". Aside from presenting to his boss a written evaluation of the program and his experience — usually a worthless document as an evaluation—the new "alumnus" is frequently at a loss as to what is expected of him. He has reason to feel that some obvious return on the company investment is expected and he is aware too, that his associates and especially his subordinates are quietly watching for significant changes in his methods, organization or attitude. He knows that even when a man returns from just a vacation he is expected to have something to show for his absence if nothing more than a tan or a mounted fish. This feeling of being in the spotlight, combined with the pressure of picking up the reins of the job, frequently result in a permanent dilution of his good intentions of being a better executive.

It appears to this observer that any company has two obligations to the man upon his return to the company; first, to provide him with an additional week at home to take "a good long look" at his recent experience; to re-evaluate his philosophies, assess and calibrate new views and attitudes and plan his course of action and mode of conduct. The second obligation deals with the creation of a freedom—a "climate" which permits experimentation and the right to try and to fail—an atmosphere which encourages innovation and the operation of the "feed-back" principle. There are other aspects of a "follow-up" to one's participation in a university program which, while they are of importance, will not be discussed here.

One of the greatest indictments is aimed at the company which fails to select the right program for each executive. And a program is "right" only if it meets the needs of the executive. As previously stated, too many companies fail to engage in an effective method of diagnosis of an executive and of his needs. It seems that the men who benefit the least from their participation are those whose companies do not have such an executive appraisal method. Once these needs are understood it isn't too difficult to find the university program best fitted to fill some of the needs.

But to avoid any misunderstanding, let it be clear that no program can possibly fill all the needs of any executive. Some companies thoughtlessly classify the programs according to duration, location, size and average age of the group, organizational level and what is thought of as quality. But in doing so they consider only the least important factors with the exception of quality. Even then they err, for a program has quality only in terms of its ability to meet the defined needs of the individual executive.

For instance, they seem to forget that some programs use a subject-matter sort of approach while other programs emphasize a problem-solving approach on the broad administrative front. Either approach is good or bad only as it relates to the needs of the executive and the method by which he would best learn or change attitudes.

It may seem trivial, but some men will study best in a city atmosphere while others, of equal maturity and potential, must find a program far removed from the tempo and confusion of a city. Those who are introverts should go to one program while those who are extroverts (to their advantage) should go to another.

An executive who is apt to be annoyed by eating three meals a day for weeks off a tray, cafeteria fashion, should not go to certain programs. And the man who demands certain privacies should avoid some programs as would the man who wants a good bed rather than a cot that sags in the middle.

BUT, MOST importantly, these companies seem to ignore the difference in the learning process which is found in equally good programs. Some programs rely on one of the "57 varieties" of the Case Method and the informal "bull-session"; others have varying types of informal discussion which may be very effective with certain types of executives while still others go in for the lecture and the question and answer method. In truth, each is effective and "the best" for certain types of executives. But it is up to the company to determine the subject matter and the learning process which each of their executives requires.

In summation, it is essential that the correct program be found for each executive. That task is not as difficult today as it was only a few years ago because the number of programs has more than doubled in number and each is different from the others in many significant ways. Yet, at the same time, it is a more difficult task than previously since a more detailed understanding of each program is required and variations are more numerous and subtle.

But the task of matching the man and the program is not the exclusive responsibility of the company; it must be shared by the university. While several university programs have Committees of Admissions, their functions, in most cases, is only perfunctory. Of the thirty programs now in existence only a few attempt to study the applicant and his company to determine if he and the company will benefit from his participation in the program. Unfortunately, the process of selection contains but little real selection. In their desire to fill vacancies some of the universities are apt to admit anyone who approximates their ideal participant. At other times the universities are high-pressured into taking a candidate who, in their judgment, is not qualified. These practices are to be regretted for ultimately they will contribute to the breakdown of this type of education.

Of course, it is possible that the universities have never developed an "image" of the type of executive they seek. It is essential that it be done and then adhered to in their selection process. The lack of such definition is apparent in the literature about the programs published by some of the universities. The use of ambiguous terms is commonplace, terms such as "Middle Management", "Policy-making Official", "Promising man", "Potential Executive", "Promotable man" and "Junior" or "Senior executive". The universities have an obligation to themselves and to industry to become more selective of participants for, by their own admission, from five to twenty percent of their "students" are relative misfits.

Many an observation has been made that faculty leaders are not properly chosen. The specific complaint is not related to the adequacy of the body of subject matter possessed by the faculty. Indeed, professors are universally recognized as experts in their respective fields. But there are numerous complaints that their subjects are dealt with as so much theory unrelated to practice and more properly aimed at the experience level and comprehension of the youthful graduate student or even the undergraduate. It is sometimes felt that too many professors are impractical due to a lack of understanding of mature executives, of their problems and of how they think and act and feel.

Thus, the term "Senior Professor" is often lacking in significance. How to overcome this criticism is subject to separate treatment, but it is a problem that must be tackled.

Another valid criticism of some of the programs concerns their mis-use of business men as faculty leaders. Ironically, it appears that the professors may be "selling themselves short" by expecting a business man to possess teaching skills. The desire to have presented the realistic view of the business man is as worthy as it is naive. But rarely does the business man have lecturing ability or the skills required of a discussion leader or a case-study moderator. It is virtually impossible to completely integrate the business man and his contribution into the total program. Among other things, his stay is too brief. Furthermore, there is usually lacking adequate administrative control over the outsider, his material and his methods. Of course, there are notable exceptions and such business executives make a priceless contribution. Ordinarily, however, they should be used as special speakers or in a mixed panel of professors and executives.

In general, and quite properly, the programs stress the management of one's job and not the management of one's self. It must not be forgotten, however, that the great majority of the men participating in these programs are having their initial experience with executive responsibilities. For the first time their work is that of the generalist and not that of the functional specialist. In most cases they are dealing with forces and factors which are new to them. Indeed, their whole method of operation, and problems too, are apt to be alien to their background. It is at the time of this significant transition that promising men often "come a cropper". Their responsibilities are enlarged, the pressures greater and their frustrations more annoying and numerous. This period is sometimes referred to as the "ulcer age". Frequently, the new or young executive is as confused about his "world" as is the adolescent boy.

The universities have an opportunity of directly acquainting the individual with the "facts of executive life". For instance, it would be helpful if the factors that contribute to the breakdown of executive efficiency and executive health could be identified along with the various "releases" from tension that one can cultivate. But, of course, the important contribution which the programs can offer in this respect is to make the participants aware of the problem and in this awareness be prepared to cope with the problem before it arises.

PERHAPS the emphasis should be on the development of the "whole man" and not on the executive. A few of the programs have made a commendable though limited effort to do this. One offers special classes in the appreciation of music and literature while another offers instruction on Saturday mornings in Personal Estate Planning and Insurance. Each of these has proved of value, the men testify, but the greatest praise is given to the course in music! Of course there are other fields of interest that could be cultivated but normally they are rejected on the grounds that such interests can be developed elsewhere. But the hard, cold fact is that ordinarily they are not developed at all. There remains the thought, however, that these up-and-coming executives must learn how to manage themselves as well as their jobs.

The universities also have the opportunity to acquaint the participants with the nature and application of new concepts, both managerial and technical. In many companies there is much said about Operations Research, Data Processing, Research Administration and Automation, to mention only a few trends or activities. While in certain companies these terms are meaningful, a real understanding of them is not at all common as revealed by private confessions of participants in the programs. Perhaps the programs should consider giving their students an understanding of these terms and make the men aware of the nature and uses of new concepts and practices as they appear on the business horizon.

An example of recent advance is found in the problem which all companies have of winning a larger share of the market—the problem of company growth. Many programs devote time to marketing, distribution, advertising, product and marketing research. But I have failed to notice any integration of product-planning with overall marketing strategy. The truth is that there is a new science in ferment, which business knows little about, whose subject matter is the knowledge which business requires to plan its growth on a foundation of fact. This new science is being formed by integrating, within a unified method, the special skills of other sciences and professions of which the most important are engineering, marketing, management, logical analysis, the social sciences and statistics. Such a unifying theory is so new that it does not as yet have a name, but its impact on business is already powerful. It will be the greatest single factor in making the term "scientific management" a descriptive phrase rather than an aspiration.

If ever we are to up-grade the participants from functional tacticians to executive strategists, there is no better means at our disposal than the development of an understanding of the factors involved in the long-range planning of a product line and its profitable disposition—the integration of Product Planning and Marketing Planning. Consequently, it seems that the program planners might consider offering training in a broad, comprehensive approach to the problem of company growth rather than a study of the separate elements incident thereto.

Another example of special emphasis might be found in Creative Thinking. Alex Osborn states that "from a functional standpoint we might classify our mental powers as follows: Absorptive powers: the ability to observe and to apply attention, Retentive powers: the ability to memorize and to recall; Reasoning powers: the ability to analyze and to judge; Creative powers: the ability to visualize, to foresee and to generate ideas". Through the first two, we learn. Through the second two, we think. Education and experience do much to develop our powers to think, to reason and to judge. However, but next to nothing is done to develop creative powers. According to Peter Drucker, any business has only two functions—Marketing and Innovation. If he is correct then the battle of ideas becomes the heart of business strategy and creativeness comes into its own.

The ability to think creatively is a hallmark of the executive. While the university programs could not be expected to devote much time to the topic of "Creative Thinking" or "Applied Imagination" it may not be too much to expect that they show their executive "students" the principles and some of the techniques of the art. Up to now the emphasis of the programs has been on the development of reasoning power; the ability to analyze and judge. Of the scores of participants whom I have interviewed from one to five years after their program participation, not one has indicated that he developed any increased creative ability. Yet there is

probably no better way of proving the worth of the programs to the supporting companies than to demonstrate the application of the principles of Creative Thinking.

If a principal function of management is decision-making, then we are justified in expecting that the programs offer training in that function. To combat the human—and executive—tendency to operate on a basis of hunch, emotion, experience or sheer authority, the programs have been busily stressing the need for facts, just as business has done. Perhaps the emergence of the position of "Assistant to" is a result of this trend. But there is a vast difference between fact-gathering and decision-making. While the age-old arts of analysis and interpretation of facts and of synthesis are sometimes skillfully used there still remains the problem of "the decision". And here lies the supreme skill of the executive. With the continually reducing margin of profit and the intensification of competition, a "good batting average" in decision-making is no longer sufficient. Apparently, the programs fail to see that the heart of the process of converting a functional specialist into a generalist may lie in the development of one's decision-making ability, especially the ability to make strategic decisions and not just tactical decisions.

An entire new set of circumstances has stressed the distinction between tactical and strategic planning and has emphasized the latter. In any case, it is a rare program that examines the anatomy of decisions; coldly looks at the road-blocks to decisions and explores the total process of "making up one's mind". Managers, in increasing numbers and occupying positions in large companies far below the presidential level are now making strategic decisions of considerable importance. No amount of successful experience in making routine or tactical decisions is adequate assurance that the manager is capable of long-range planning of a strategic nature. The ability to do so is one that must be possessed and practiced by management and is a responsibility that cannot be shared.

It is apparent that the men who participate in the various programs are representatives of companies that believe in and practice Management Development. Therefore, it is assumed by the program planners that these men understand and subscribe to the underlying philosophy of which they are the beneficiaries. Nevertheless, the fact is that many of these same men do not see the need for company planning which will assure the strength and continuity of management, nor do they understand the principles or techniques of accomplishing it. It is distressing to find these men discrediting Management Development concepts and scoffing at the suggestion that even a small portion of the program be devoted to the topic of Management Development.

It is disappointing too, to find the program planners failing to include the subject primarily because the "men don't want it". Ideally, no man should graduate who doesn't have an increased sense of personal obligation toward the growth of his subordinates and some knowledge of how to accomplish it. Perhaps the principal contribution which the programs can make to this situation would be to show their participants that the essence of Management Development lies in a philosophy of management and not in annoying forms, procedures and methods.

If it is correct that the greatest value to be found in the programs is the cross-fertilization of ideas among the participants then it is apparent that the men must be kept together throughout the day —every day of the program. The richest exchange of ideas, experience and reasoning does not occur in the "classroom". It does occur at meals, during recreation periods and in "bull-sessions" at all hours of the day and night as well as over weekends. Perhaps those programs which permit their participants to disperse for meals, recreation and for weekends ought to find a way to achieve a greater degree of cohesiveness of their "students".

DERIVED values of company participation in the programs are difficult to ascertain. In their effort to make such an assessment several factors are frequently overlooked or slighted. First, no program can be judged by one man's participation. Second, company objectives in sending a man to the programs must be predetermined, against which changes in the man may possibly be compared under certain conditions. Third, changes in a man should not be looked for prematurely, perhaps not for a year or more. Fourth, the changes that count are to be found in the management "climate" of the company after a significant proportion of its executives have become program "graduates". Fifth, the *total* growth of an individual should be evaluated as a whole and not the numerous segments of which the university work is only one. Finally, it should be recognized that an objective appraisal of the programs is probably a long way off for the required factors of a controlled experiment are impossible of attainment. If we must rely on a subjective appraisal then it should be a multiple appraisal, done by several executives together, and a very thorough and exhaustive job. Furthermore, one appraisal of a man's growth is not sufficient, whether it is made six months or six years after his program participation. Such a multiple group evaluation should be repeated for the results of conscientious participation in an executive training program are not always immediately apparent and are not to be compared with a healthy tan acquired during a summer holiday for they make up in substance and permanence what they lack in coloration.

While business is busy trying to develop the means of judging the worth of this form of continuing and advanced education for its executives the universities should be occupied with intensive research into the means and methods by which they can develop better learning processes for use with their executive students.

Answers to such questions as the following should be sought: how to achieve better integration of subject-matter fields; what degree of physical remoteness — "a mountain-top" location — is desirable; how to develop a special type of professor who is effective in working with executives; what is the optimum size of the work group; what are the ideal homogeneous and heterogeneous characteristics of the total group; how much flexibility should be allowed in the program; and, in terms of duration of the program, when is the point of diminishing returns reached?

In summation, it may be agreed that both Education and Business are to be commended for the progress thus far made in the development and the support of this new type of adult education. A complete and effective partnership is possible of attainment which will be of great benefit to each. Their efforts to improve the quality of administrative action through formal training have already justified the expenditures of time and money that have gone into the effort. Experience is so limited that, on faith alone, this experiment should continue to receive the full support of both parties. ■